



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE REQUEST BY HALL DRILLING,
LLC FOR EXCEPTION LOCATIONS FOR THE DRILLING
OF THE BALLOUZ #2, VAN SCOY #1, CHESS #2, SARAH
HURST #1, NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD
#2, STARKEY #1, COTTRILL #1 AND THE MUTSCHELKNAUS
#6 TO BE DRILLED IN DODDRIDGE AND HARRISON
COUNTIES, WEST VIRGINIA .

DOCKET NO. 191-179
ORDER NO. 1

REPORT OF THE COMMISSION

This cause came before the Commission on July 17, 2008, in the Department of Environmental Protection Conference Room, Charleston, West Virginia after giving notice as required by law at the request of Hall Drilling, LLC ("Hall") seeking approval for an exception to Operational Rule 39-1.4.2, for the drilling of a proposed the Van Scoy #1, Chess #2, Hurst #1, Newlon #1 and #2, Coffman #1, Underwood #2, Starkey #1 and Cottrill #1. Hall has requested the Ballouz #2 and Mutschelknaus #6 be withdrawn from this request. The proposed wells are to be completed in a shallow zone; however, Hall proposes to drill 100' into the Onondaga formation to allow for logging and completion operations. By definition, WV Code 22C-9-2 states that drilling into the Onondaga formation constitutes a deep well. The proposed location does not meet the spacing requirement imposed on deep wells; therefore, Hall has requested approval from the Commission for exception to rule 39-1.4.2.

FINDINGS OF FACT

1. The applicant is an operator within the meaning paragraph (4) subsection (a) of the West Virginia Code 22C-9-2.
2. Hall wishes to drill the above mentioned wells to the bottom of the Marcellus formation. The Marcellus shall formation lies directly above the Onondaga limestone formation. Hall intends to drill 100' into the Onondaga formation for rat hole purposes. Applicant's witness testified that 100' is necessary to fully log the Marcellus formation. The 100' of rat hole will allow the applicant to get logging tools, casing, tubing and perforating tools to sufficient depth below the pay zone.
3. The location of the proposed wells was chosen due topography and the geology of the potential producing formation.
4. The Applicant's witness is requesting an exception to the 400' leaseline spacing to the proposed Van Scoy #1, Chess #2, Hurst #1, Newlon #1 and #2, Coffman #1, Underwood #2, Starkey #1 and Cottrill #1.

5. Applicant's witness testified that the proposed location for the Newlon #1 is within 3,000' of 47-033-05016 also permitted to the Marcellus; and the proposed Newlon #2.

CONCLUSIONS OF LAW

1. That due notice of time, place and purpose of the hearing has been given in all respects as required by law.
2. That Operational rule 39-1.4.2 requires that all deep wells drilled shall be not less than 3,000 feet from a deep well drilling to or capable of producing hydrocarbons from the objective pool of the deep well and that Operational rule 39-1.4.3 allows for an exception to Operational rule 39-1.4.2.
3. That pursuant to Chapter 22C, Article 9, Code of West Virginia, as amended, the Commission has jurisdiction over the subject matter embraced in said notice, and the persons interested therein, and jurisdiction to promulgate the hereinafter prescribed Order.

ORDER

Now therefore, based on the Findings of Fact and Conclusions of Law, the West Virginia Oil and Gas Conservation Commission grants an exception to rule 39-1.4.2 to Hall Drilling, LLC for the drilling of the Underwood #1, Coffman #1, Newlon #1 and #2, Van Scoy #1, Chess #2, Hurst #1, Cottrill #1 and the Starkey #1 wells; and to drill 100' into the Onondaga formation. Furthermore, Hall will furnish to the Commission a copy of the bond log and perforating log within thirty days of the completion of the abovementioned well. In addition, Hall shall submit an affidavit signed by a principal of the company stating that the well was not and will not at any time in the future be produced, perforated or stimulated in any manner in a formation below the top of the Onondaga formation.

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: Barry K. Lay
Barry K. Lay, Chairman

Dated this 10th day of August, 2008, at Charleston, West Virginia.

August 12, 2008

WV DEP Office of Oil and Gas
Attn: Cindy Raines
601 57th Street
Charleston, WV 25304

Re: Underwood No. 1, Grant District, Doddridge County, WV

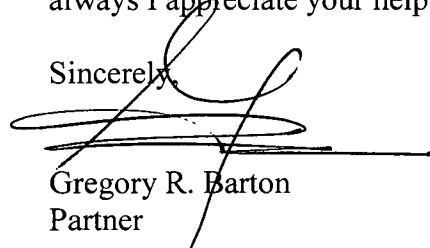
Dear Cindy,

Please find heretofore faxed and a hard copy mailed, an "Affidavit" concerning the status of 47-017-04585. As I previously testified during our hearing of July 17th, the said well was never drilled beyond fresh water formation nor was it plugged.

A new lease was taken on this particular lease without any legal responsibility by our company concerning the existing casing which extends to the depth of 250' of 26" pipe.

Please let me know if I can be of further assistance on the question of the existing casing. We would like to begin site preparation as soon as the permit is issued. As always I appreciate your help on this matter.

Sincerely,



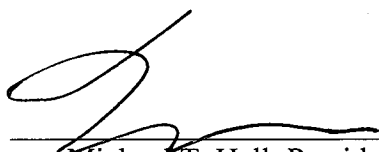
Gregory R. Barton
Partner

Attachment: Affidavit- re: Underwood No.1
Cc: Kay Holtsclaw

AFFIDAVIT

I, Michael T. Hall, President of Hall Drilling, LLC, having an address of Post Office Box 249, Ellenboro, West Virginia 26346 does hereby acknowledge and verify to the best of my knowledge that the well known as Permit #47-017-04585 located in Grant District of Doddridge County, West Virginia was only drilled to a depth of 250 feet and cased thereof without being drilled, completed or produced thereof.

I, Michael T. Hall have also personally inspected said well and further state that no plugging was done in reference to this well drilled only to the depth of 250 feet to cover the fresh water formations.

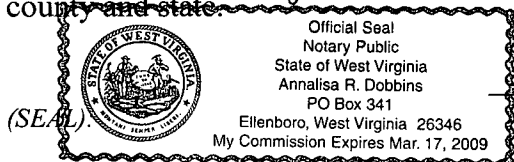



Michael T. Hall, President

Date: 8/11/08

State of West Virginia
County of Ritchie

I, Annalisa R. Dobbins, a Notary Public, in and for said county and state, do hereby certify that Michael T. Hall, whose name is signed to the writing above bearing the 11th day of August, 2008, this day acknowledged the same before me in said county and state.





Notary Public

My Commission expires on: March 17, 2009

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL
DRILLING, LLC., FOR EXCEPTION
LOCATIONS FOR THE DRILLING OF THE BALLOUZ #2,
VAN SCOY #1, CHESS #2, SARAH HURST #1, DOCKET NO. 191
NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD #2, CAUSE NO. 179
STARKEY #1, COTTRILL #1, AND THE
MUTSCHELKNAUS #6 TO BE DRILLED IN
DODDRIDGE AND HARRISON COUNTIES, WEST VIRGINIA,

TRANSCRIPT OF PROCEEDINGS had or testimony
in the above-entitled action, on the 17th day of July,
2008, commencing at 11:34 a.m. and concluding at 12:49
P.m., at the Office of the Department of Environmental
Protection, 601 57th Street, S.E., Charleston, Kanawha
County, West Virginia, pursuant to notice of all interested
parties.

BEFORE: BARRY LAY, Chairman
 JAMES MARTIN, Member
 ANTHONY GUM, Member
 ROBERT RADABAUGH, Member
 CINDY RAINES, Staff

APPEARANCES: GREG BARTON,
 Representative for Hall Drilling, LLC.
 NORM STEENSTRA,
 West Virginia Surface Owners Rights

MISSY L. YOUNG, C.C.R.
POST OFFICE BOX 6296
CHARLESTON, WEST VIRGINIA 25362
(304) 205-4942 or (304) 539-6192

I N D E XE X H I B I T S

<u>Exhibits:</u>	<u>Received</u>
No. 1, Notice of Hearing	3
No. 2, Newspaper Confirmation	3
No. 3, Request for Hearing Letter dated March 29, 2008	3
No. 4, Well Work Permit Application	3

Reporter's Certificate 34

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1 CHAIRMAN LAY: Before the Oil and Gas
2 Conservation Commission of the state of West Virginia, in
3 the matter of the request by Hall Drilling, LLC, for
4 exception locations for the Ballouz #2, Van Scoy #1, Chess
5 #2, Sarah Hurst #1, Newlon #1 AND 2, Coffman #2, Underwood
6 #2, Starkey #1, Cottrill #1, and the Mutschelknaus #6 to be
7 drilled in Doddridge and Harrison counties, West Virginia.
8 This is Docket No. 191, Cause No. 179.

9 Let the record show that present are
10 members of the Commission, Robert Radabaugh, James Martin,
11 Anthony Gum, Barry Lay, and Cindy Raines of staff.

12 I would like to place on record as Exhibit
13 No. 1 a copy of the Notice of Hearing. Exhibit 2, is a
14 copy of the notice of legal advertisement. Exhibit 3 is a
15 copy of a letter dated March 29, 2008 from Bluestone Energy
16 Partners as exhibit 3. Let's go off for just second.

17 (WHEREUPON, a discussion was held off the
18 record.)

19 CHAIRMAN LAY: Collectively as Exhibit No.
20 4, copies of all the well applications.

21 (WHEREUPON, the documents
22 referred to were marked for
23 identification as Exhibit Nos.
24 1 through 4, and were received

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1 into evidence.)

2 CHAIRMAN LAY: At this time the Commission
3 will take appearances. Please, state your name for the
4 record.

5 MR. STEENSTRA: Norm Steenstra with the
6 West Virginia Surface Owners Rights organization.

7 CHAIRMAN LAY: Mr. Barton, would you state
8 your name for the record?

9 MR. BARTON: Yes, sir. Gregory Barton

10 partner with Bluestone Energy Partners, Hall Drilling, LLC.

11 CHAIRMAN LAY: At this time if you would
12 proceed with your evidence. Madam Court Reporter, would
13 you swear the witnesses, please?

14 (WITNESSES SWORN.)

15 CHAIRMAN LAY: You want to proceed, Mr.
16 Barton?

17 MR. BARTON: Yes, sir. Commissioners, Hall
18 Drilling LLC and Bluestone Energy has come before the
19 Commission today to request a deep well permit on those
20 wells mentioned which does include the Underwood #2, the
21 Coffman #2, the Newlon #1, the Newlon #2, the Sarah Hurst
22 #1, the Van Scoy #1, the Cottrill # 1, the Chess #2, the
23 Starkey # 1.

24 In front of the Commission today we would

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1 ask for the Commission's approval for the deep well permit.
2 These wells are located in Doddridge and Harrison County,
3 West Virginia.

4 CHAIRMAN LAY: One thing I forgot to
5 mention. We have determined that the Ballouz #2 meets the
6 criteria for issuances as a deep well permit, and therefore
7 we are removing it, withdrawing it from the hearing today.

8 MR. BARTON: Yes, sir. I also requested
9 that the Commissioners remove Mutschelknaus # 6. We are
10 going to keep it as a shallow well as it was originally
11 intended.

12 CHAIRMAN LAY: Okay. So we have removed
13 the Mutschelknaus # 6 and the Ballouz # 2. Okay. If you
14 would be so kind, Mr. Barton, to go through each of the
15 applications one at a time and tell us what the exception
16 that you are requesting for each permit might be?

17 MR. BARTON: Yes, sir. The first one on
18 the docket would be the Underwood #2, located in Grant
19 District, Doddridge County, consisting of 90 acres plus or
20 minus, that is the lease itself. Comprised of four tracts
21 of property, surface wise and lease itself encompasses 90
22 acres of which those four tracts, surface wise are a part
23 of route 50, US Route 50 runs through the middle of this
24 particular tract. We have located the Underwood #2 well

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1 approximately 190 feet from the property line itself. That
2 is the lease line as well.

3 CHAIRMAN LAY: Is there a particular reason
4 that you located that well in that position rather than 400
5 feet from the property line?

6 MR. BARTON: Yes, sir. Typically in West
7 Virginia it goes to the terrain itself. Not due to any
8 spacing of any other wells, since this is a Marcellus well.
9 The terrain and the location of that particular well and in
10 essence as comparable to a shallow to a Marcellus well the
11 location size.

12 CHAIRMAN LAY: By the looks of the wall
13 plat there shows a few wells within the 3000-foot spacing
14 requirements, are they all shallow wells or are any of
15 these deep wells?

16 MR. BARTON: They are all shallow wells.
17 There is no deep wells within a 3000 foot radius.

18 CHAIRMAN LAY: Okay.

19 MR. BARTON: They was. Let me state to the
20 Commission, they was a well, as you will see a casing there
21 permit 4585. That was intended to be a Trenton Black River
22 well in it's early stags. It was never drilled. It was
23 put there in the year 2000, 2001, which you can see as you
24 are driving down the four-lane. I think you are all

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1 familiar with the story, or that scenario. That well was
2 never drilled. Casing was the only thing put down 250 feet
3 and that was all there is. That was intended to be a deep
4 well at it's time and place, but has since been abandoned.

5 CHAIRMAN LAY: Before we move on to the
6 next one, are there any questions about the Underwood lease
7 or well?

8 MR. STEENSTRA: I apologize. I have never
9 actually been to a hearing before. I'm sure if I can
10 question or not.

11 CHAIRMAN LAY: Yes. You are certainly
12 allowed to ask questions.

13 MR STEENSTRA: The main thing that I'm
14 interested in is how many number of wells do you have
15 within the 3000-foot radius? I didn't get any information
16 beforehand. I just got thrown in here because somebody else
17 couldn't make it. So I apologize for my lack of
18 preparedness.

19 CHAIRMAN LAY: It looks like - - I'm sorry
20 can you ask the question again please?

21 MR. BARTON: I think he was, correct me if
22 I'm wrong, you want to know how many wells are close to
23 this one.

24 MR. STEENSTRA: Shallow wells, I guess.

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1 MR. BARTON: There is four shallow wells,
2 five, as a matter of fact. If it's alright with the
3 Commission I have no problem showing this gentleman. This
4 one if plugged (indicating). This one is just the casing
5 its self. That's the one I mentioned, was never drilled.
6 And you've got one down here (indicating). This is your
7 radius.

8 Maybe Mr. Lay may want to explain to him.
9 The Commission, as far as the deep well permits, if you
10 have another deep well within 3000-foot radius, then a
11 notification there of - -

12 MR. STEENSTRA: That's not the notification
13 - - it's just number of overall wells. It's just that the
14 deep wells have to be 3000 feet apart?

15 MR. BARTON: And when they surveyed this,
16 and bear with me you gentleman are used to this, when they
17 surveyed this and they throw it back into a deep well
18 permit, then the surveyor has to come back out and locate
19 anything within this radius, as well as he has to hear your
20 footage from that well to the property or lease line. In
21 this particular incidence it is the same.

22 MR. STEENSTRA: Thank you.

23 CHAIRMAN LAY: Any other questions?

24 MR. MARTIN: I have a question, Mr.

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1 Chairman. Mr. Barton, the 4585, is that for the Trent
2 Black River permit? Is that true?

3 MR. BARTON: Yes, sir, it was.

4 MR. MARTIN: What is it status at this
5 point?

6 MR. BARTON: It is nothing but a case in
7 the ground. The lease has expired by its own terms. My
8 understanding, there were several lawsuits on this
9 particular well to be drilled. It was an investor well and
10 the investor problems. The lease ran out by its own terms
11 and in accordance it was leased again by Mr. Mutschelknaus,
12 who in turn assigned it to use, this 90-acre lease. So
13 there is a location still as you can see going down Route
14 50. You can see the, up on location not from 50, but you
15 can see the casing its self sticking out of the ground. It
16 just went down past the fresh water and they stopped.

17 MR. MARTIN: So is the well plugged?

18 MR. BARTON: No, sir, it was not plugged.

19 MR. MARTIN: Who is the operator of the
20 well?

21 MR. BARTON: At the time who was doing that
22 was a gentleman by the name of Duncan. Warren Haught was
23 involved in it. There were several people involved in that
24 particular well. My memory tells me, as I said, it was

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1 never drilled, never produced of course, only down below
2 the fresh water seams. It was cased and then the lawsuits
3 began at that point in time. They went into court with the
4 surface owner who was Vernon Underwood or his mother at the
5 time, she was alive, and it was reclaimed several times due
6 to slippage and walked away from.

7 MR. MARTIN: So who has the bond today?

8 MR. BARTON: To this day, I don't have any
9 idea. I know title was cleared on it through Steptoe &
10 Johnson as far as giving us the rights. Because the lease
11 had run out by its own term and it was not a producing well
12 its self, for our legal intents and purposes, it was
13 considered never drilled to a producing well.

14 MR. MARTIN: So you would, Hall Drilling
15 now has the 90-acre lease?

16 MR. BARTON: Yes, sir.

17 MR. MARTIN: Do you have the Trent Black
18 River rights on that 90 acres?

19 MR. BARTON: If we so desire, yes, sir.

20 MR. MARTIN: Thank you.

21 MR. BARTON: Your welcome.

22 CHAIRMAN LAY: Any more questions?

23 MR. GUM: So this Underwood well is, the
24 only exception is your spacing with the diagram?

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1 MR. BARTON: Yes, sir.

2 MR. GUM: Two hundred and what?

3 MR. BARTON: One hundred and ninety feet
4 to the lease line, yes, sir.

5 MR. GUM: To the lease line?

6 MR. BARTON: Yes. sir.

7 CHAIRMAN LAY: Okay. You want to move to
8 the next one.

9 MR. BARTON: The next well is the Coffman
10 No. 2. This location is located in McClennan District of
11 Doddridge county. It is approximately 112 feet from the
12 lease line. It's a 38.5 acre tract. There is no deep
13 wells within the 3000 foot radius.

14 CHAIRMAN LAY: What is the reason for being
15 212 feet from lease line?

16 MR. BARTON: The terrain itself - - this
17 particular lease is located on East Run and I would liked
18 to have put additional Marcellus wells on this particular
19 tract, but because of the terrain, we were lucky to get one
20 up on a hilltop meadow. That is the reason why it is so
21 close to the boundary line, is because of the terrain.

22 CHAIRMAN LAY: No way of moving it more
23 than the additional 280 feet?

24 MR. BARTON: No, sir. I would like to

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1 have. I would like to have moved it 400 in the middle of
2 the tract, but I ... Cost effective wise and disturbing
3 the property more than what it will already be in the
4 Marcellus location, we don't feel it's feasible.

5 CHAIRMAN LAY: It shows several wells and
6 several 329 wells within the 3000-foot circle, but they are
7 all shallow wells?

8 MR. BARTON: Yes, sir.

9 CHAIRMAN LAY: Okay. Questions from
10 members of the board? I'm sorry, I've forgotten your name.

11 MR. STEENSTRA: Norm.

12 CHAIRMAN LAY: Do you have any questions?

13 MR. STEENSTRA: I guess just one more
14 general question. The possibility of a shallow being
15 expanded to a deep well, is that something that could be
16 worked in the future just for my knowledge, in layman's
17 terms, shouldn't be because of the 300 feet?

18 MR. BARTON: Technically, cost efficient, I
19 don't believe the piping itself would sustain it going
20 deeper. Now Mr. Lay may differ with me on that. We've
21 looked into that. Our intentions is to keep our shallow
22 shallow and Marcellus Marcellus. In this incidence you can
23 drill on the same location, okay? If I had a shallow
24 Gordon well engine given the Berea, I could go on the same

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1 location and drill me a Marcellus because I'm not producing
2 out of the same formation. In this particular incidence,
3 and we're looking at our Marcellus when they cease to
4 produce or they don't give up as much as we feel try to
5 come back up hole and refrac those formations that would
6 hopefully make the well a little bit more economically
7 valuable.

8 CHAIRMAN LAY: To answer your question,
9 again, if that were to happen they would require the
10 operator to permit that well. If there are no other
11 questions, we'll move on to the next one.

12 MR. BARTON: The next well is the Newlon
13 No. 1, located in Grant District Doddridge County. Very
14 close to the Harrison County line. It's on a 100-acre
15 tract. The surface itself is owned by one individual, Mrs.
16 Ritter. Again, I will state to the Commission there is no
17 deep well permit surrounding the 3000-foot radius, with the
18 exception of the Ritter No. 1 well. Which I was in front
19 of the Commission a month ago, I believe, of which we
20 classified it as a deep well and the Commission approved
21 it, which is only drilled to the Marcellus.

22 CHAIRMAN LAY: It's on the 28 acres to the
23 South isn't it?

24 MR. BARTON: Yes, sir.

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1 CHAIRMAN LAY: Okay. And it's not more
2 than 3000 feet away?

3 MR. BARTON: It is less than 3000, with the
4 exception of the Ritter, yes, sir. With the exception of
5 the Ritter No. 1.

6 CHAIRMAN LAY: okay.

7 MR. BARTON; Again, the same surface owner.
8 The reason why this well was located 150 feet from the
9 lease line is this well could have been moved into the
10 meadow. For reasons of the surface owner who did not own
11 any minerals on this particular tract, unlike the one that
12 she owned on the 12-acre tract, for all intents and
13 purposes and the value of the property as it sets, we moved
14 it closer to the lease line, it would less disturbance to
15 her only meadows that she within that farm. That is the
16 reason why we moved that as we did.

17 CHAIRMAN LAY: That was done per her
18 request?

19 MR. BARTON: Her request and my request.

20 MR. RADABAUGH: Rick, you are also
21 requesting to be within the 3000 feet?

22 MR. BARTON: Yes, sir. In this particular,
23 of which is our well, yes, sir. Yes, sir.

24 MR. MARTIN: Isn't that, is the permit

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1 5604? Is that the one that you are within 3000 feet of?

2 MR. BARTON: Yes, sir.

3 CHAIRMAN LAY: In this particular case you
4 are requesting variance to the 400-foot rule and a variance
5 to the 3000-foot rule?

6 MR. BARTON: Yes, sir.

7 CHAIRMAN LAY: Any more questions? Norm,
8 do you have any questions?

9 MR. STEENSTRA: I'll hold until the end, I
10 guess.

11 CHAIRMAN LAY: Okay. Next?

12 MR. BARTON: The next is the Newlon No. 2,
13 on the same lease hold. The same surface owner which is
14 Neva Ritter.

15 CHAIRMAN LAY: I'm sorry, did you say the
16 Newlon No. 2? I've got a Newlon No. 1.

17 MR. RADABAUGH: And a Newlon No. 2 also.

18 MR. BARTON: I thought we covered No. 1
19 before that, my apologies.

20 MR. RADABAUGH: You did.

21 MR. BARTON: We did? Okay.

22 CHAIRMAN LAY: I had the wrong - - I'm
23 sorry go ahead.

24 MR. BARTON: This will be the Newlon No. 2

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1 on the 100-tract, Grant District, Doddridge County. Again,
2 the surface owner is Neva Ritter. There is no deep well
3 permitted or drilled within 3000 foot of the Newlon No. 2.
4 The location of the No. 2 is the same as for the reason of
5 No. 1, to stay out of the surface owners only meadow,
6 hilltop meadow that run up through there.

7 Mr. RADABAUGH: What's your distance on the
8 lease line?

9 MR. BARTON: The lease line is 128 feet.

10 MR. MARTIN: Are there any deep well
11 permits within 3000 feet?

12 MR. BARTON: No, sir.

13 MR. GUM: So all of these Newlon wells, the
14 same person and the distance is always less than 400?

15 MR. BARTON: Yes, sir.

16 MR. GUM: Is to stay out of the meadow?

17 MR. BARTON: Yes, sir.

18 MR. GUM: And the meadow is owned by - -

19 MR. BARTON: - - Mrs. Ritter.

20 MR. GUM: Same person?

21 MR. BARTON: Same person. If at all
22 possible, if at all possible we try to sacrifice the
23 meadows and not ruin those for reasons of whatever reasons
24 they owe to cutting hay or economic reasons they may sell

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1 it off for housing. This particular piece lays right on
2 the four-lane and is a valuable piece of property. Some
3 surface owners do not care, but most do care.

4 So if at all possible and the terrain
5 gives us the rights, we will try to stay off the meadows,
6 if at all possible. For the record, we are not a stock
7 owned company. So we drill for the production and not for
8 the investor. So production to us is important. At this
9 stag of the game I will not say that we would not go back
10 later on in years and possibly drill in that meadow, but
11 for now, for all reasons and intents and purposes at the
12 Marcellus, and not knowing how far the frac travels and the
13 spacing on it, we are trying to space these as best we can
14 to keep them from connecting with each other and also on
15 the other hand in this incidence for the surface owner
16 themself. Especially, when you have known them all your
17 life, you try to do the best you can on these.

18 MR. MARTIN: I commend you for doing that.
19 I mean, I think that's the right thing to do to try to help
20 out with those surface issues. I guess the other question I
21 have, is by doing that are you, on any of these sites, are
22 you creating any environmental issue because the site is
23 now going to be more difficult to build or maintain?

24 MR. BARTON: I think any time that you

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1 build this size of location that you take a chance of
2 whether you've got possible slippage or anything of that
3 sort. We look at it very hard and very long to make sure
4 if at all possible this does not occur down the road. You
5 never know what's going to happen.

6 But Mr. Martin, we look at it in the sense
7 that if we can spend a little extra money pleasing the
8 surface owner, because we are a small company and PR is
9 very important to us, I mean it's just bottom line. We're
10 not, we don't have the resources and we have to go at it
11 the best way we can in the sense, not only to hold costs,
12 but to make sure down the road that that doesn't occur, you
13 know, slippage or anything of that sort. Now that will
14 occur, there's not a doubt in my mind at some point in time
15 at some of these locations that's inevitable to happen as
16 we all know.

17 What we have found out that right
18 reclamation, the right seeding so-far-so-good. I won't say
19 that it's not going to happen next week but. The one we
20 built there in Salem on the Mutschelknaus No. 1, which was
21 a rather large location, and it was a steep location,
22 that's holding very good. Of course we got a lot of rain,
23 a lot of et cetera and the grass has taken hold and there
24 have been no problems whatsoever. We monitor these to make

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1 sure that, through you-all as well as through ourselves to
2 make sure that, what's better than a nice location, you
3 know, as far as PR. Not saying we're the best, but I'm
4 saying that we try awful hard, yes, sir.

5 CHAIRMAN LAY: Any further questions with
6 regard to the Newlon No. 2? Okay.

7 MR. BARTON: The next one is the Sarah
8 Hurst No. 1, 51 acres, located in Grant District, Doddridge
9 County. There is no deep wells within the 3000-foot radius
10 of this particular location of this well which is located
11 120 feet off of the lease line and surface line as well. I
12 will point out to the Commission, and we discussed this
13 last for your benefit, sometimes the lease line is
14 different than surface line.

15 MR. STEENSTRA: Yes.

16 MR. BARTON: Again, the location of this
17 particular well was located there due to the terrain and
18 also due to the surface owner who asked us to stay out of
19 his bottom land.

20 CHAIRMAN LAY: He was agreeable with the
21 location of the site?

22 MR. BARTON: Yes, sir. He was not happy
23 that we were going to drill a well, okay? He was not happy
24 of that at all. He is in Florida and comes up here

Proceedings

1 periodically, but in retrospect he understood and if you
2 are going to drill a well, I prefer you put it there
3 (indicating) than put it down where possibly I may build a
4 house one day. So location of that and I will say that we
5 are looking to drill on the other side of his property, but
6 we want to test this one first and see if the Marcellus is
7 still extending south that way.

8 CHAIRMAN LAY: So this particular well is
9 only asking for an exception to the 400-foot rule?

10 MR. BARTON: Yes, sir.

11 MR. RADABAUGH: What's your boundary there?

12 MR. BARTON: One hundred and twenty feet.

13 MR. MARTIN: In these cases Mr. Barton,
14 where the land owner made these requests, are they signing
15 waiver in those incidences?

16 MR. BARTON: Yes, sir. In most incidences
17 they are signing the waiver and/or I've had a few let you
18 15 days notice run out, I would rather not sign and then
19 under state law, as you know, my reclamation begins I have
20 to send them a certified notice that they have two years
21 after the time, well, you know.

22 You may not be aware of this, but you have
23 two years after the time of notification to bring any
24 objections to it. Often times when I have a surface owner

Proceedings

1 sign my service waiver, I initially go a head and pay him
2 part of the damages if not all and he signs a waiver that
3 he has excepted this as twofold for the drilling and for
4 any other work he deems necessary he wants done within the
5 contract of that.

6 MR. MARTIN: So in some cases they are
7 signing waiver and in some case they are not filing
8 comments?

9 MR. BARTON: That's right, yes, sir.

10 MR. MARTIN: Are there any cases where they
11 are actually filing comments where you have moved a site
12 per their desires?

13 MR. BARTON: I believe there was one that
14 came through on a shallow well.

15 MR. MARTIN: I mean in regard to these?

16 MR. BARTON: No, sir, not today, no, no. I
17 didn't mean to go down that road.

18 CHAIRMAN LAY: Any other questions with the
19 Hurst? What's next?

20 MR. BARTON: Van Scoy No. 1, again located
21 in the Grant District in Doddridge County, 65.20 acres. My
22 surface owner Norma Van Scoy. The location from the lease
23 line on one side is 256.37 acres to the other side is 393
24 acre or 393 feet, I apologize. Again, there is no deep

Proceedings

1 well within the 3000-foot radius and the well is located on
2 this particular tract because it is the only location due
3 to slippage on this particular tract located adjacent to
4 Route 50. The accessibility of getting into this
5 particular location and crossing high pressure line of
6 Dominion and Columbia.

7 CHAIRMAN LAY: So the 400-foot rule again
8 is the only requirement that you are asking for?

9 MR. BARTON: Yes, sir.

10 CHAIRMAN LAY: Any other questions?

11 MR. MARTIN: I just want to be clear on
12 several of these you have testified that there are no deep
13 wells. I just want to make sure that when you say that you
14 are including deep well permits?

15 MR. BARTON: Yes, sir.

16 MR. MARTIN: Is that true? Okay.

17 MR. BARTON: Yes. I requested Smith Land
18 Surveys when they do the surveys to go through like they do
19 on all the shallow and anything that they have of record
20 through your office to locate anything of the sort as part
21 of their job when we pay them and to the knowledge they
22 give me. Yes, sir.

23 CHAIRMAN LAY: Go a head. Any other
24 questions about the Van Scoy? What do you have next?

Proceedings

1 MR. BARTON: I have the J.L. Cottrill
2 lease, 56.25 acres, located again in Grant District in
3 Doddridge County.

4 CHAIRMAN LAY: How far is it from the lease
5 boundary?

6 MR. BARTON: The boundary line is 346 acres
7 from the North, 305 acres to the East. Feet, I'm sorry.

8 MR. RADABAUGH; Three hundred and some?

9 MR. BARTON: Three hundred and five. Feet
10 to the East and 346 feet to the North on the lease line and
11 property line.

12 CHAIRMAN LAY: Are there any wells within
13 3000 feet?

14 MR. BARTON: No, sir.

15 CHAIRMAN LAY: The reason for this one
16 being less than 400?

17 MR. BARTON: Less then 400 feet to the
18 lease line.

19 CHAIRMAN LAY: To the lease line?

20 MR. BARTON: Yes, sir.

21 CHAIRMAN LAY: Was there a specific reason
22 as to why it's 400 feet from the lease line?

23 MR. BARTON: It's less than 400 feet due
24 to the terrain. That's why it was located where it was.

Proceedings

1 CHAIRMAN LAY: Okay.

2 MR. BARTON: Three hundred and five feet,
3 346.

4 MR. MARTIN: I notice there is several
5 wells apparently leased these permits, I'm assuming from
6 what you said those are all shallow withing 3000 feet of
7 this cite, right?

8 MR. BARTON; Yes, sir.

9 MR. MARTIN: Do you know who operates those
10 wells? Are those operated by your company?

11 MR. BARTON: No, sir. They are operated by
12 Mountain V, Charity Gas, Dominion and Jim Scott which was
13 Emax.

14 MR. MARTIN: What about the well that's
15 southwest, roughly 1400 feet or so, permit No. 3016, is
16 that on the same lease?

17 MR. BARTON: No, sir. That's plugged?

18 MR. MARTIN: No, it's not plugged.

19 MR. BARTON: That's not producing. It's
20 not plugged but it's not producing, it's been abandoned.

21 MR. MARTIN: But it's on the same - -

22 MR. BARTON: Yes, sir. I was looking at
23 1757 plugged, I'm sorry.

24 MR. MARTIN: Is that Hall Drilling's well?

Proceedings

1 MR. BARTON: No, sir.

2 MR. MARTIN: Do you know who's it is?

3 MR. BARTON: No, sir. It shows it as
4 abandoned.

5 CHAIRMAN LAY: Other questions?

6 MR. BARTON: Let me back up Mr. Martin.
7 3016 was an old petroleum development corporation well,
8 okay, which was forfeited to and sold to Jimmy Stubbs. I'm
9 going to back off on this. He gets free gas from that
10 well. Mr. Stubbs, Mrs. Bailes brothers and sisters, the
11 story may be right here, he has signed off on all right
12 title and interest of which Mrs. Bailes owns the minerals
13 under this tract. So he is obtaining free gas, so I'm
14 incorrect on this which as old PDC well.

15 MR. MARTIN: So it's still on PDC's bond?

16 MR. BARTON: I'm not sure who's bond it's
17 on. I know that he is obtaining free gas and it was signed
18 off by PDC to get rid of it and all right title and heirs.
19 With no reservation of PDC on the lease hold itself. So
20 they just didn't give the well away, they got rid of the
21 whole liability of it as a free gas well.

22 MR. RADABAUGH: There's a good possibility

23 - -

24 MR. BARTON: I know he signed off as far

Proceedings

1 as, you understand what I mean, any kind of. I'm sorry Mr.
2 Martin, I just happened to think about that.

3 MR. MARTIN: That's fine.

4 CHAIRMAN LAY: Any other questions? Oksy.
5 What's the next one.

6 MR. BARTON: The Chess No 2, which is
7 133.77 acres located again, I'm sorry, McClennen District,
8 Doddridge County. Again, there is no wells within the
9 3000-foot boundaries of this particular lease or proposed
10 well. The location of the well No. 2 was upon the
11 recommendation of the surface owner Mr. Flanagan. It was a
12 better location for him plus he wanted a well road back up
13 on the hill for accessability for him to be able to get
14 accessability to his, back on his ridge for whatever
15 reason. It is approximately, one side is 565 feet to the
16 north. That's not right. 565 feet to the northeast and to
17 the boundary lines, approximately it looks like, 236 feet,
18 that's the closest, 236 feet. That's why I'm asking for a
19 variance on that one.

20 CHAIRMAN LAY: That was at the request of
21 the land owner?

22 MR. BARTON: The surface owner, yes, sir.
23 Who owns no minerals.

24 CHAIRMAN LAY: Any other questions? Next

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1 on.

2 MR. BARTON: The Starkey No. 1, 70 acres
3 located in Elk District, Harrison County. Again, no deep
4 wells and or deep well permits within 300 feet of the
5 proposed No. 1 well. Its distance to the lease line is 130
6 feet.

7 CHAIRMAN LAY: And your reason for it being
8 130?

9 MR. BARTON: The location and the terrain
10 of the property and the request of the surface owner who
11 does own 100 percent of the minerals who leased it directly
12 to our company.

13 CHAIRMAN LAY: Okay. That's all?

14 MR. BARTON: Yes, sir.

15 CHAIRMAN LAY: One question, I probably
16 should have gone back and started over. One question, deep
17 wells that you have proposed, how many of them are within
18 3000 feet of each other?

19 MR. BARTON: That would be the Newlon No. 1
20 and in reference to the Ritter No. 1, that is it to my
21 knowledge. I may be incorrect.

22 CHAIRMAN LAY: It looks like the Ritter No.
23 1 and the Ritter No. 2 would be within 3000 feet of each
24 other in addition to the Ritter No. 1.

Proceedings

1 MR. BARTON: You mean the Newlon?

2 CHAIRMAN LAY: The Newlon, I'm sorry. For
3 one of those wells you need an exception. You use the
4 exception for the Ritter No. 1, that's out of sequence in
5 numbering, then the Ritter No. 2 would met the criteria for
6 the spacing but the Ritter No. 1 - -

7 MR. BARTON: Is within 3000 feet.

8 CHAIRMAN LAY: - - was within 3000 feet
9 of the No. 2 and the Ritter No. 1. Is that correct?

10 MR. BARTON: Yes, that's correct.

11 MR. MARTIN: One question I had back to
12 the Starkey?

13 MR. BARTON: Yes, sir.

14 MR. MARTIN: Part of you reason for that
15 location there was at the land owners request?

16 MR. BARTON: Yes, sir.

17 MR. MARTIN: He was also the mineral owner?

18 MR. BARTON: Yes, sir.

19 MR. MARTIN: In those incidences are those
20 locations negotiated as part of the lease agreement?

21 MR. BARTON: Sometimes, in this particular
22 situation it was not because he asked us - -I had leased
23 that myself personally and then when went in to spot the
24 wells, like in the lease agreement he made no mention of

Proceedings

1 it. He went in and went in with the surveyors and he asked
2 us to consider moving those wells. He's a farmer up there
3 and he also would like to have access on the back part of
4 his farm which he didn't have, so we moved it.

5 MR. MARTIN: Thank you.

6 MR. BARTON: Now it would have been better
7 for us economically to have kept it on down to be honest
8 with you.

9 MR. RADABAUGH: Do you have a permit number
10 on that Ritter No. 1? Is Ritter No. 1 what we're talking
11 about on spacing thing - -

12 MR. BARTON: Yes.

13 MR. RADABAUGH: - - we did from the
14 previous hearing?

15 MR. BARTON: No, I don't have it. Cindy
16 may have it. I'm sorry I don't have it with me.

17 MS. RAINES: What well did you say was
18 within 3000 feet of that?

19 MR. BARTON: The Ritter No. 1, when I was
20 down here on that.

21 MS. RAINES: What proposed location is
22 within 3000 feet?

23 MR. BARTON: The Newlon No. 1. I can call
24 and get it right quick.

1 MR. RADABAUGH: Is you would, I need that
2 here.

3 MR. BARTON: Okay.

4 CHAIRMAN LAY: You can get that while we -
5 -

6 MR. BARTON: Okay. I can go out in the
7 hall.

8 CHAIRMAN LAY: Or we could take a short
9 recess if you want to.

10 MR. BARTON: It's up to you-all.

11 CHAIRMAN LAY: Let's get through - - are
12 there any other wells that would be within 3000 feet of
13 each other than those two?

14 MR. BARTON: Right, those two.

15 MR. STEENSTRA: If I understand you
16 correctly, one of those two is within 3000 feet of two
17 wells, right?

18 MR. BARTON: Right.

19 CHAIRMAN LAY: Is there any other evidence
20 that you would like to present at this time Mr. Barton?

21 MR. BARTON: No, sir.

22 CHAIRMAN LAY: Norm, do you have any
23 questions?

24 MR. STEENSTRA: Not so much questions,

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1 comments, I guess. Again, I apologize for being a nubbie
2 at this. I appreciate your efforts to accommodate me. I
3 want to thank Bluestone for their efforts. They have gone
4 out of their way and I've got it on record in our files
5 that, you know - - commenting and happily they have gone
6 out of their way to help the - - centers. At least not
7 interfere with their daily lives. That is something that
8 we are happy to see.

9 I'm a little worried. I can see one well
10 within 3000 feet, but two of them I kind of have some
11 concern about that. There is the one case before the
12 Supreme Court right now where they tried to lower the 300
13 feet to 1000 feet. I missed that. I was gone last week.
14 I'm way out of touch with some things.

15 I guess the last thing is Dave McMan who
16 is pretty much our attorney, just wanted me to put one
17 thing in real quick. I guess quoting from your statutes, is
18 that how it is, fully utilize the statutes, promote
19 conservation of the resource which benefits everybody in
20 getting the most hydro carbons out with the least number of
21 wells. This comes from what we kind of see from the
22 surface owner the less interruption the better. I do
23 understand that they have done a good job. I understand
24 that and that they have gone out of their way, so we can

Proceedings

1 except this well.

2 CHAIRMAN LAY: Okay. Any thing further.
3 Let's go off the record. If you would get us that permit
4 number for the Ritter No. 1, it would greatly appreciated?

5 MR. BARTON: No problem.

6 (WHEREUPON, the board members deliberated
7 off the record.)

8 CHAIRMAN LAY: We're back on the record.
9 Did you get the permit number so it matches what we got?

10 MR. BARTON: Yes, sir, 47-033-5106.

11 CHAIRMAN LAY: Do I have a motion?

12 MR. RADABAUGH: I'd like to make a motion.

13 I make a motion to grant Hall Drilling in the absence of
14 any objections to the request for the exception to the 400-
15 foot lease line rule, thus allowing them to be within 400
16 feet of the said lease lines for the following wells:

17 Underwood No. 2, Doddridge, 05665; Coffman No. 2,
18 Doddridge, 05535; Newlon No. 1, Doddridge, 05585; Newlon
19 No. 2, Doddridge, 05586; Sarah Hurst No. 1, Doddridge,
20 05638; Van Scoy No. 1, Doddridge, 05604; J.L. Cottrill No.
21 1, Doddridge, 05680; Chess No. 2, Doddridge, 05645; Starkey
22 No. 1, Harrison, 05066. Also grant exception for the
23 Newlon No. 1, Doddridge, 05585, and the Newlon No. 2,
24 05586 to be within 3000 feet of an existing deep well known

Proceedings

1 as the Ritter No. 1, Harrison, 05016. Also grant an
2 exception for the Newlon No. 1 to be within 3000 feet of
3 the Newlon No. 2, permit number that I just mentioned.
4 Also will allow Hall Drilling to drill 100 feet below the
5 base of the Marcellus which is in excess of the allowable
6 20-foot limit for the above named wells.

7 Hall Drilling can not perforate and/or
8 produce anything below the base of the Marcellus unless
9 they reappear before the Commission and request for such.
10 Hall Drilling shall provide to the Commission a copy of all
11 the well logs and perforation logs of each well in this
12 case along with an affidavit signed by an officer of the
13 company that states that they have not perforated,
14 stimulated or are producing anything below the base of the
15 Marcellus.

16 MR. GUM: I second that motion.

17 CHAIRMAN LAY: It's been properly moved and
18 seconded. Any further discussion? All of those in favor
19 of the motion, yea. (All respond in the affirmative.) All
20 apposed, nay. The motion carried. Okay. Is there anything
21 further for the record? If not, I close the record. Thank
22 you.

23 (WHEREUPON, the hearing was
24 concluded at 12:49 p.m.)

STATE OF WEST VIRGINIA,
COUNTY OF KANAWHA, to-wit:

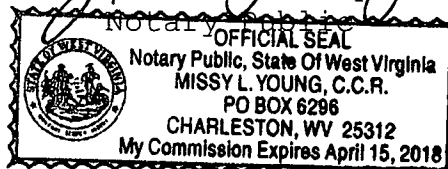
I, Missy L. Young, a Certified Court Reporter and Notary Public within and for the county and state aforesaid, duly Commissioned and qualified, do hereby certify that the foregoing hearing was taken by and before me at the time and place and for the purpose specified in the caption hereof, the said witnesses having been first duly sworn by me to testify the whole truth and nothing but the truth concerning the matter in controversy.

I do further certify that the said hearing was transcribed under my direction and supervision; and that this hearing is a true record of the testimony given by the witnesses.

Given under my hand and official seal this
24th day of July 2008.

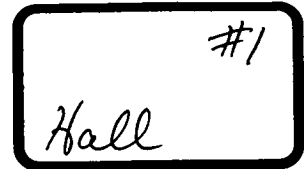
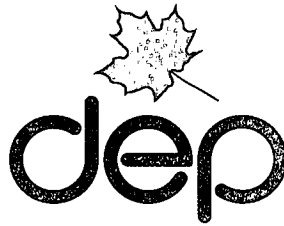
Missy L. Young, C.C.R.

Certified Court Reporter



My commission expires April 15, 2018.

MISSY L. YOUNG, C.C.R. (304) 205-4942 or (304) 539-6192



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE REQUEST BY HALL DRILLING,
LLC FOR EXCEPTION LOCATIONS FOR THE DRILLING
OF THE BALLOUZ #2, VAN SCOY #1, CHESS #2, SARAH
HURST #1, NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD
#2, STARKEY #1, COTTRILL #1 AND THE MUTSCHELKNAUS
#6 TO BE DRILLED IN DODDRIDGE AND HARRISON
COUNTIES, WEST VIRGINIA .

DOCKET NO. 191
CAUSE NO. 179

NOTICE OF HEARING

Hall Drilling, LLC ("Hall") has requested the Commission review and approve the drilling of several proposed well locations in Doddridge and Harrison Counties. The proposed well locations do not meet the spacing requirements imposed on deep wells. Hall has requested approval from the Commission for exception to Rule 39-1-4.2

The matter has been scheduled as stated below:

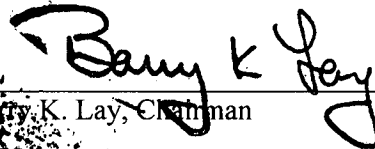
DATE: July 17, 2008

TIME: 11:00 a.m.

PLACE: Department of Environmental Protection
Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: 
Barry K. Lay, Chairman

Dated this 2nd day of July, 2008, at Charleston, West Virginia.

Promoting a healthy environment.

SENT BY: _____

DEPARTMENT: _____

DO NOT METER

INTERDEPARTMENTAL MAIL

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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Dominion Exploration & Production, Inc.
Attention: Rusty Tallhammer
P O Box 1248
Jane Lew, WV 26378

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

X *Beth DeBruin*

☐ Agent☒ Addressee**B. Received by (Printed Name)**

Beth DeBruin

C. Date of Delivery

7/8/08

address different from item 1? ☐ Yesdelivery address below: ☐ No**3. Service Type**☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.**4. Restricted Delivery? (Extra Fee)**☐ Yes**2. Article Number**

(Transfer from service label)

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**Margaret Cheney Estate
Hunter M. Bennett
P O Box 166
Weston, WV 26452**

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

Betty Jo Brooks ☐ Agent
☐ Addressee

B. Received by (Printed Name)**C. Date of Delivery**

Betty Jo Brooks *8-08*

Is different from item 1? ☐ Yes
delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)☐ Yes**2. Article Number**

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**Gertrude Howell Estate
c/o Hunter Bennett, Jr.
P O Box 166
Weston, WV 26452**

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent☐ Addressee

B. Recipient's (Printed Name)

 8-08

C. Date of Delivery

Is delivery address different from item 1? ☐ YesIf different, delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

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Hunter M. Bennett, Jr
TR U/M Hunter M. Bennet
P O Box 166
Weston, WV 26452

COMPLETE THIS SECTION ON DELIVERY**A. Signature****X***Betty Jo Brooks*☒ Agent☒ Addressee**B. Received by (Printed Name)***Betty Jo Brooks***C. Date of Delivery***08*Address different from item 1? ☐ Yesdelivery address below: ☐ No**3. Service Type**☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.**4. Restricted Delivery? (Extra Fee)**☐ Yes**2. Article Number**

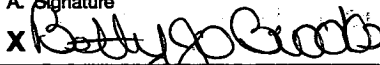
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SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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Hunter M. Bennett
John Brannon Bennett Heirs
P O Box 166
Weston, WV 26452

COMPLETE THIS SECTION ON DELIVERY**A. Signature****X**☐ Agent☐ Addressee**B. Received by, Printed Name****C. Date of Delivery**

8-08

address different from item 1? ☐ Yesdelivery address below: ☐ No**3. Service Type**☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.**4. Restricted Delivery? (Extra Fee)**☐ Yes**2. Article Number**

(Transfer from service label)

7007 0220 0000 0375 3952

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- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

Coastal Lumber Company
P O Box 797
Buckhannon, WV 26201

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

X Godi Nelson

☒ **Agent**☐ **Addressee****B. Received by (Printed Name)**

Godi Nelson

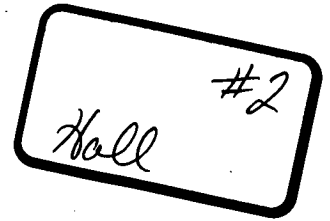
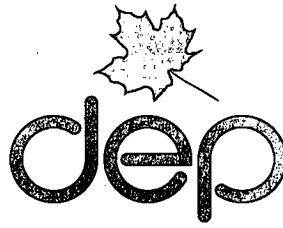
C. Date of Delivery

07/08/08

Address different from item 1? ☐ **Yes**or delivery address below: ☐ **No****3. Service Type**☒ **Certified Mail**☐ **Express Mail**☐ **Registered**☐ **Return Receipt for Merchandise**☐ **Insured Mail**☐ **C.O.D.****4. Restricted Delivery? (Extra Fee)**☐ **Yes****2. Article Number**

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west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

July 3, 2008

The Herald Record
202 E Main Street
West Union, WV 26456

RE: Class 11 - Legal Advertisement

Dear Sir:

Please print the enclosed Notice of Hearing as a Class 11 legal advertisement in the Herald Record, twice prior to July 17, 2008 and send affidavit of publication and invoice to me at the address above.

If you should have any questions, please call me at 304-926-0499 ext. 1656

Sincerely

Cindy Raines
Exe. Secretary

encl:

From: Cindy Raines
To: legals@exponent-telegram.com
Date: 7/3/2008 9:33:10 AM
Subject: Legal Ad

Harrison County
Docket 191-179

Please print the attached as Class II legal ad twice prior to July 17 and confirm receipt of this email request.

Thank you,
Cindy Raines
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304
304-926-0499 Ext 1656

March 29, 2008

WV DEP Office of Oil and Gas
Attn: Cindy Raines
601 57th Street
Charleston, WV 25304



Dear Cindy,

We are sending you the enclosed documents to add to the following permit packages that have already been permitted with the WV DEP. We would like to have these well locations modified and permitted as deep wells. Enclosed are revised WW2B forms and mylar sheets for each well location.

Please be advised that we are hereby requesting a hearing with the commissioners in order to be able to drill the following well sites as deep wells. The following well locations are what we are requesting a hearing for:

- | | |
|------------------|------------------------|
| * Ballouz No. 2 | * B. Coffman No. 2 |
| * Frum No. 1 | * Tate No. 2 (revised) |
| * Van Scoy No. 1 | * Shaughnessy No. 1 |
| * Chess No. 1 | * Underwood No. 2 |
| * Chess No. 2 | * Cowgill No. 1 |
| * Hurst No. 1 | * Starkey No. 1 |
| * Davis No. 1 | |
| * Newlon No. 1 | |
| * Newlon No. 2 | |

Also enclosed is check no. 013137 in the amount of \$3,750.00 for the extra amount due for deep well permit fees. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Annalisa Dobbins".

Annalisa Dobbins
Administrative Assistant

Enclosures: **Request for Hearing** and
WW2B sheets & mylar sheets for
15 well locations

#4
Hall

Form: WW - 2B

3/31
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC

Operator
ID

17
County
Doddridge

5
District
McClellan

349
Quadrangle
Folsom
7.5'

2) Operators Well Number: Ballouz No. 2

3) Elevation: 1095'

4) Well Type: (a) Oil or Gas X

(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): MARCELLUS

6) Proposed Total Depth 8100' Feet

7) Approximate fresh water strata depths: 80'

8) Approximate salt water depths: None

9) Approximate coal seam depths: 378'

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			250'	250'	CTS
Fresh Water	9 5/8"			1095'	1095'	CTS
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11-1
Production	4 1/2"			8100'	8100'	By Rule 35 CSR 4-11-1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

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Office of Oil & Gas

MAR 13 2008

D. J. Bacher
Feb 29 '2008

WV Department of
Environmental Protection

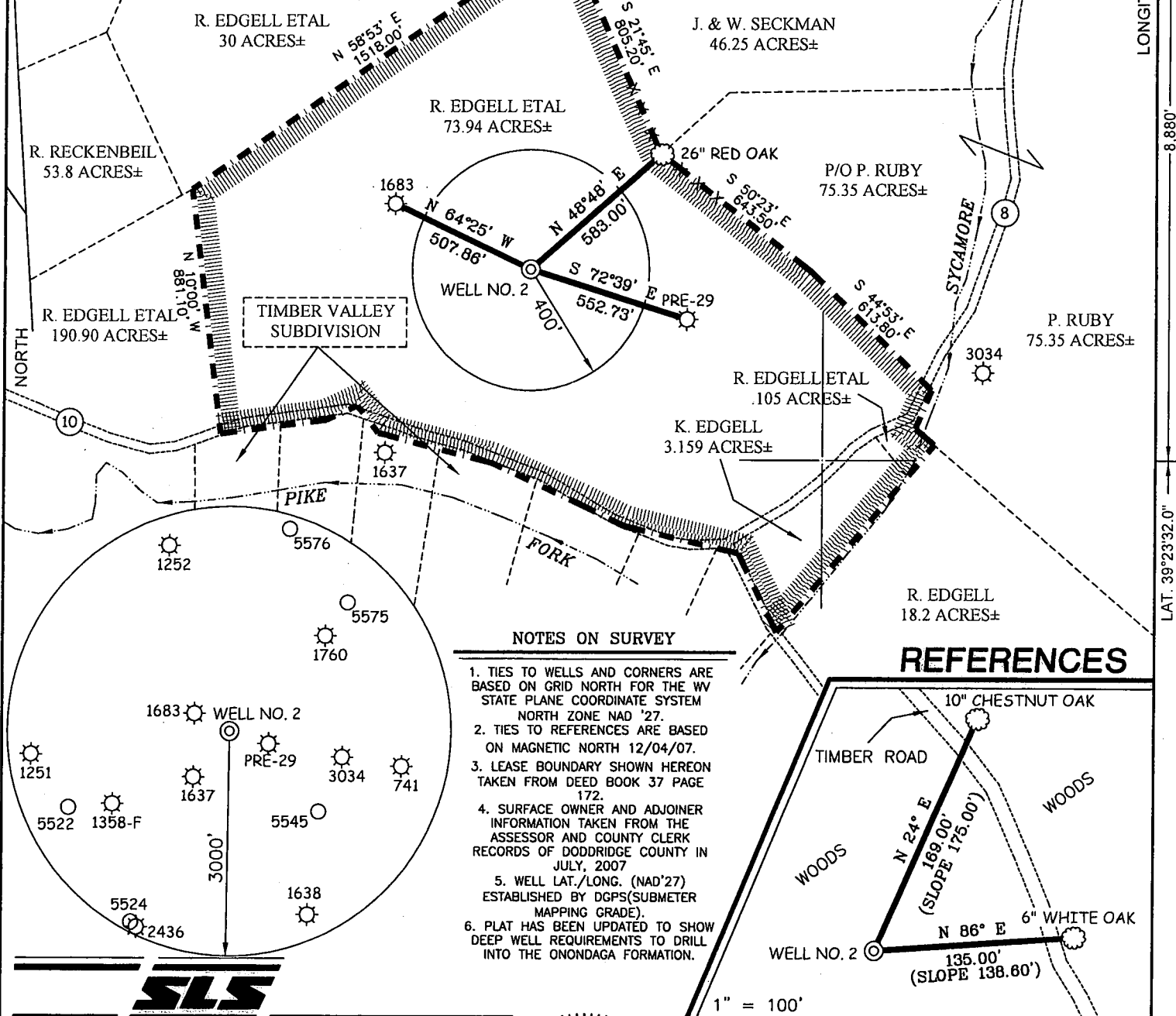
11# 12698
150'

ELLENBORO, WV 26346

BALLOUZ LEASE

68.30 ACRES±

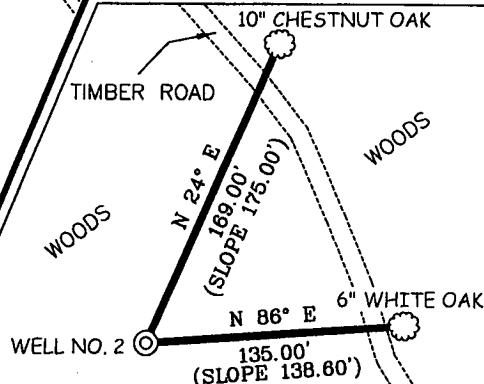
WELL NO. 2



NOTES ON SURVEY

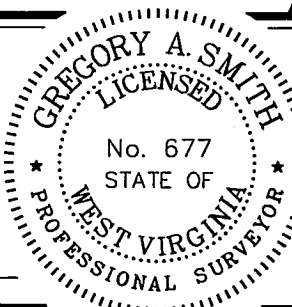
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12/04/07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 37 PAGE 172.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 5, 20 07

UPDATED MAY 16, 20 08

OPERATORS WELL NO. BALLOUZ #2

API WELL NO. 47

STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6594P2R(252-4)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS ☒ INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION ☒ STORAGE DEEP ☒ SHALLOW

LOCATION: ELEVATION 1,095' WATERSHED PIKE FORK

DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE FOLSOM 7.5'

SURFACE OWNER ROBERT EDGELL ETAL ACREAGE 73.94±

ROYALTY OWNER C.W. MUTSCHELKNAUS LEASE ACREAGE 68.30±

PROPOSED WORK: LEASE NO.

DRILL ☒ CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346 ELLENBORO, WV 26346



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

April 04, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705627, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: BALLOUZ 2
Farm Name: EDGELL, ROBERT
API Well Number: 47-1705627
Permit Type: New Well
Date Issued: 04/04/2008

Promoting a healthy environment.

3/31

WELL WORK PERMIT APPLICATION

17	5	349
----	---	-----

Operator ID	County	District	Quadrangle
-------------	--------	----------	------------

3) Elevation: 1095'

(b) If Gas: Production X / Underground Storage _____
Deep _____ / Shallow X

6) Proposed Total Depth: 7800 Feet

8) Approximate salt water depths: None

10) Does land contain coal seams tributary to active mine? No

12)

TYPE		SPECIFICATIONS		FOOTAGE INTERVALS		CEMENT
	<u>Size</u>	<u>Grade</u>	<u>Weight per ft</u>	<u>For Drilling</u>	<u>Left in Well</u>	<u>Fill -up (Cu. Ft.)</u>
Conductor	13 3/8"			250'	250'	CTS
Fresh Water	9 5/8"			1095'	1095'	CTS
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11-1
Production	4 1/2"			7800'	7800'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

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MAR 13 2008

CH# 12698
650.

WW2-A
Revised 8/02

1) Date: December 10, 2007
2) Operator's Well Number: Ballouz No. 2
3) API Well No.: 47 - 017 - 05627
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Robert Edgell
Address Route 2 Box 335
Salem, WV 26426

(b) Name _____
Address _____

(c) Name _____
Address _____

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration

Name N/A
Address _____

Name _____
Address _____

6) Inspector Mike Underwood
Address Route 2 Box 135
Salem, WV 26426
Telephone 304-552-3874

(c) Coal Lessee with Declaration

Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ____ on the above named parties by:

- Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
 Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator
By:

Hall Drilling, LLC
Mike Hall

Designated Agent

P.O. Box 249
Ellenboro, WV 26346
304-869-3405

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Office of Oil & Gas

MAR 13 2008



OFFICIAL SEAL
NOTARIAL PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON
MA
P. O. Box 339
My Commission Expires Apr. 18, 2011

Subscribed and sworn before me this _____ day of _____, 2007

WV Department of
Environmental Protection
Notary Public

My Commission Expires 4/18/2011

Form WW-2A-1
(8/02)

Operator's Well Number Ballouz No. 2

17-05627

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
C.W. Mutschelknaus	Bluestone Energy Partners	1/8 th	
Bluestone Energy Partners	Hall Drilling, LLC	W.I	219/506

Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

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Office of Oil & Gas

MAR 13 2008

WV Department of
Environmental Protection

FORM WW2-B1

Well No. 17-05627
Ballouz No. 2

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
<u> </u>	Well operator's private laboratory	
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

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Office of Oil & Gas

MAR 13 2008

Ballouz No. 2

WV Department of
Environmental Protection

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05627



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

ENVIRONMENTAL DIVISION

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling

LEASE NAME AND NUMBER: Ballouz #2

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Robert and Kevin Edgell

Address: Rt. 2 Box 335 Salem, WV 26426

Letter/Notice Date: 1/24/08

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

RECEIVED
Office of Oil & Gas

MAR 13 2008

WV Department of
Environmental Protection

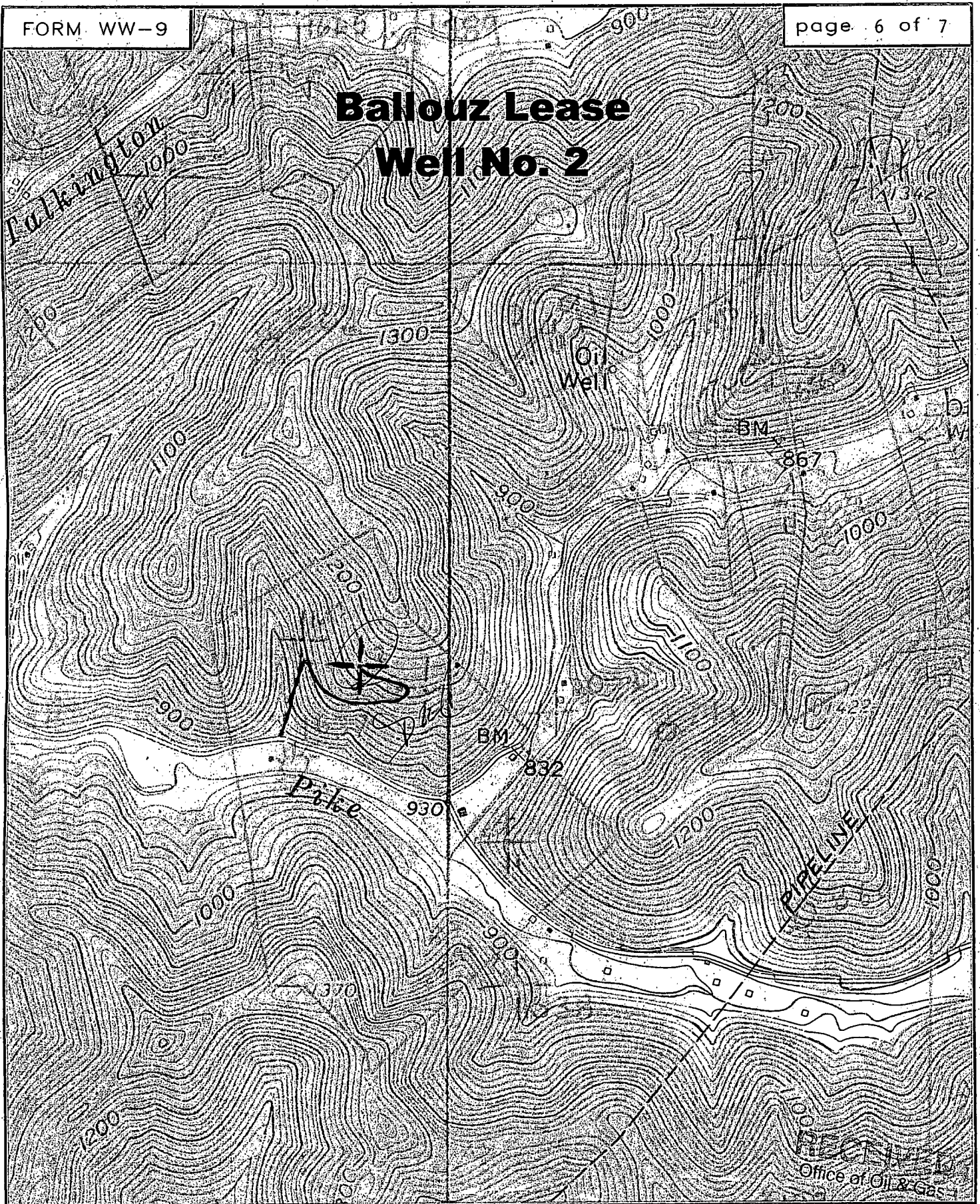
DRAWN BY C.P.M. DATE 12/5/07 FILE NO. 6594

17-03627

FORM WW-9

page 6 of 7

Ballouz Lease Well No. 2



SLS

SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF FOLSOM 7.5'

FILE NO. 6594

DATE 12/5/07

MAR 13 2008

WV Department of
Environmental Protection

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 017 - 05627
Operator's Well No. Ballouz No. 2

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Pike Fork Quadrangle Folsom 7.5'

Elevation 1095' County Doddridge District McClellan

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

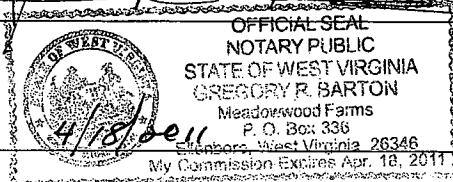
Company Official Signature [Signature]

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 11 day of Dec, 20 07

Notary Public



My commission expires _____

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Office of Oil & Gas

MAR 13 2008

WV Department of
Environmental Protection

F. Bloom

Operator: HALL DRILLING, LLC

API: 1705627

WELL No: BALLOUZ 2

Reviewed by: JA

Date: 3-29-08

Due Date: 3/31

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☐ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☐ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

17-05627

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

March 12, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

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Office of Oil & Gas
MAR 13 2008
WV Department of
Environmental Protection

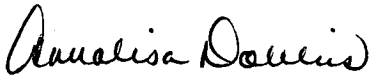
Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Ballouz No. 2

Also enclosed is check no 012698 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,


Annalisa Dobbins
Administrative Assistant

Enclosures: Well package for Ballouz No. 2
Check No. 012698- \$650.00

17-05627

WW-2A Surface Waiver**SURFACE OWNER WAIVER**County Doddridge

Operator

Operator well number

Hall Drilling, LLCBallouz No. 2**INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A**

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.**WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:**

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Kenneth Edzell
Signature

Date: 3-11-08

Company Name

By
Its

Robert D. Edzell
Signature

Date: 3-11-08

Vernon Garner
Signature

Date: 3/11/08**RECEIVED**

Office of Oil & Gas

Date

MAR 13 2008

Signature

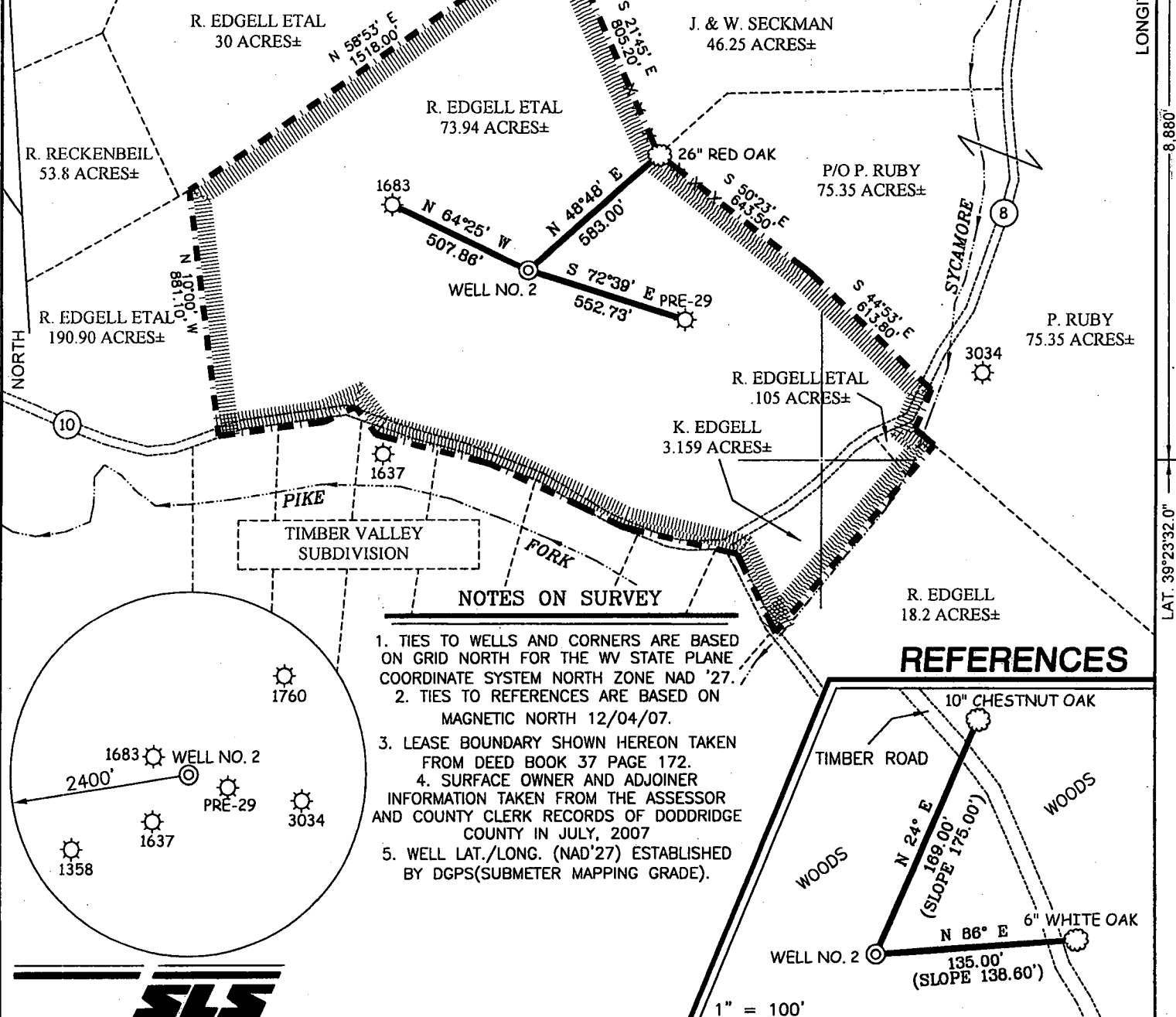
Date

WV Department of
Environmental Protection

BALLOUZ LEASE

68.30 ACRES±

WELL NO. 2



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12/04/07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 37 PAGE 172.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

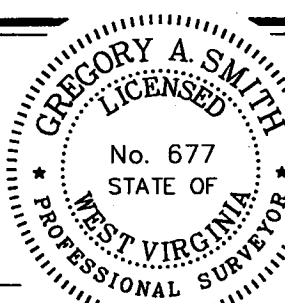
DATE DECEMBER 5, 20 07

OPERATORS WELL NO. BALLOUZ #2

API WELL NO. 47 - 017 - 05627
STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6594P2(252-4)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS X LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION X STORAGE DEEP SHALLOW X
LOCATION: ELEVATION 1,095' WATERSHED PIKE FORK
DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE FOLSOM 7.5'
SURFACE OWNER ROBERT EDGELL ETAL ACREAGE 73.94±
ROYALTY OWNER C.W. MUTSCHELKNAUS LEASE ACREAGE 68.30±
PROPOSED WORK: LEASE NO.
DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION Marcellus Gordon
ESTIMATED DEPTH 7800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

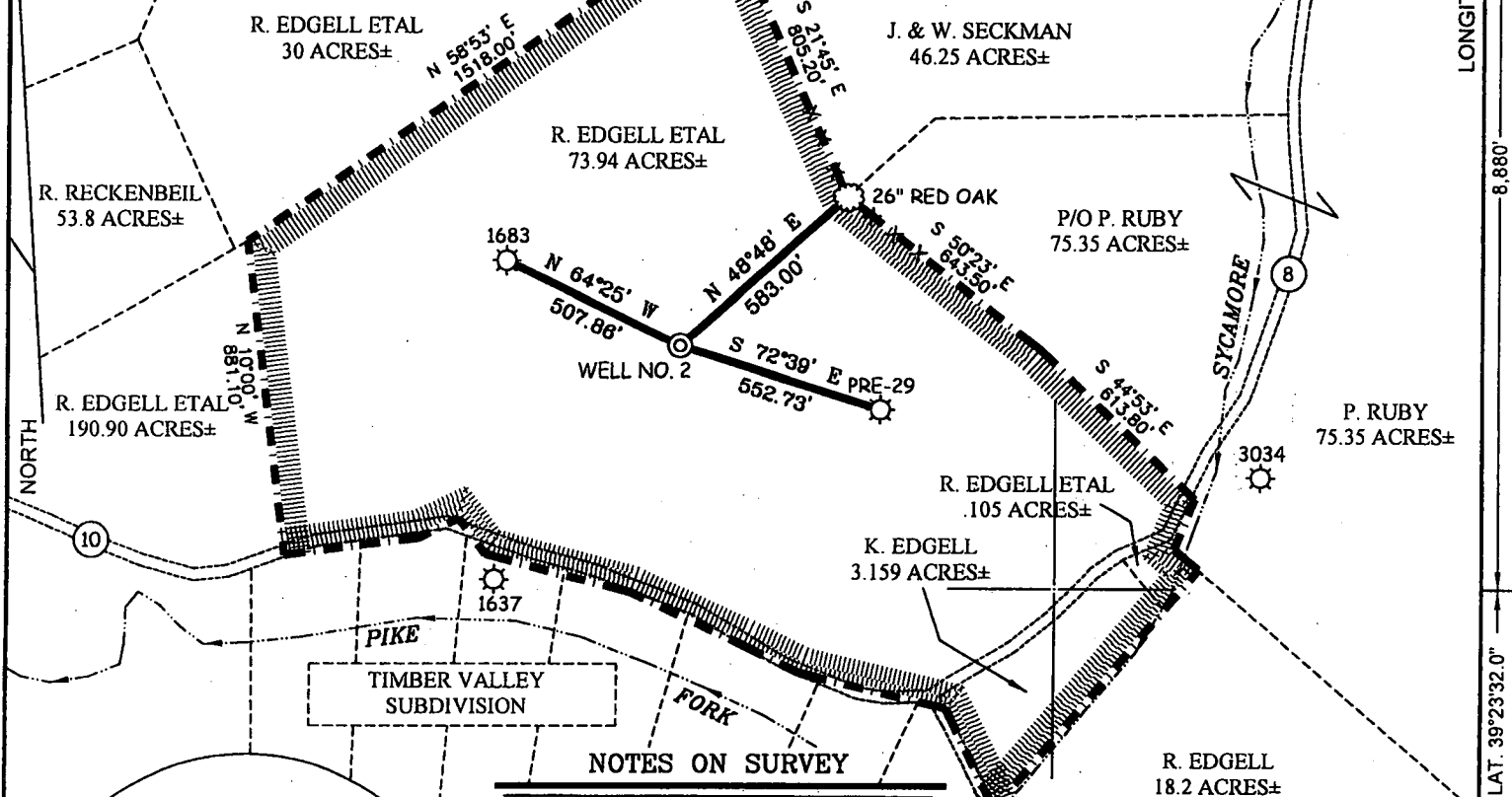
COUNTY NAME

PERMIT

BALLOUZ LEASE

68.30 ACRES±

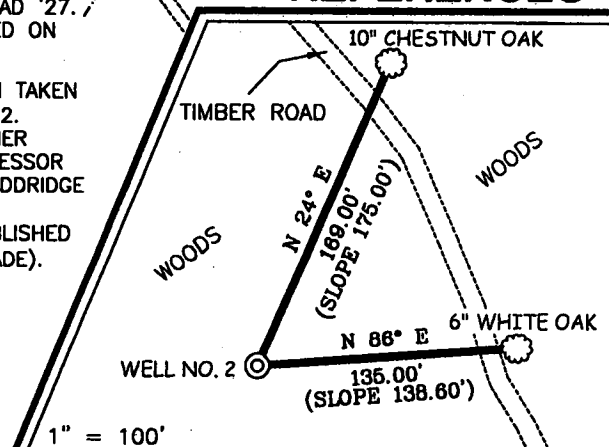
WELL NO. 2



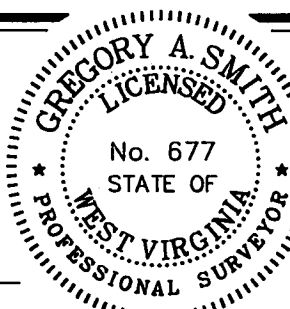
NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12/04/07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 37 PAGE 172.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

**SLS**

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 5, 20 07OPERATORS WELL NO. BALLOUZ #2API WELL NO. 47 - 017 - 05627
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6594P2(252-4)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒

LOCATION: ELEVATION 1,095' WATERSHED PIKE FORK
DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE FOLSOM 7.5'
SURFACE OWNER ROBERT EDGELL ETAL ACREAGE 73.94±
ROYALTY OWNER C.W. MUTSCHELKNAUS LEASE ACREAGE 68.30±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION Marcellus
ESTIMATED DEPTH 7800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Form: WW - 2B

17-05672

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Mutschelknaus No. 6 3) Elevation: 1351'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 8100' feet

7) Approximate fresh water strata depths: 95'

8) Approximate salt water depths: 1300'

9) Approximate coal seam depths: 65' 600'

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	9 5/8"		22#	650'	450'	CTS
Fresh Water						
Coal						
Intermediate	7"		16#	2900'	2900'	CTS
Production	4 1/2"		11.60#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

RECEIVED

Office of Oil & Gas

JUN 02 2008

WV Department of
Environmental Protection

OK 013136

\$750

(250)

MUTSCHELKNAUS LEASE

150 ACRES±

WELL NO. 6

WELL NO. 6
STATE PLANE
COORDINATES(N) 287,864
(E) 1,691,045M. MUTSCHELKNAUS
7.805 ACRES±M. MUTSCHELKNAUS
.80 ACRES±R. ROGERS
29.30 ACRES±J. NICHOLSON
28.75 ACRES±
1816-PC. MUTSCHELKNAUS
16.78 ACRES±J. SAMPLES
8.26 ACRES±BRIGHT TIMBERLANDS,
LLC
78.39 ACRES±

30" BLACK GUM

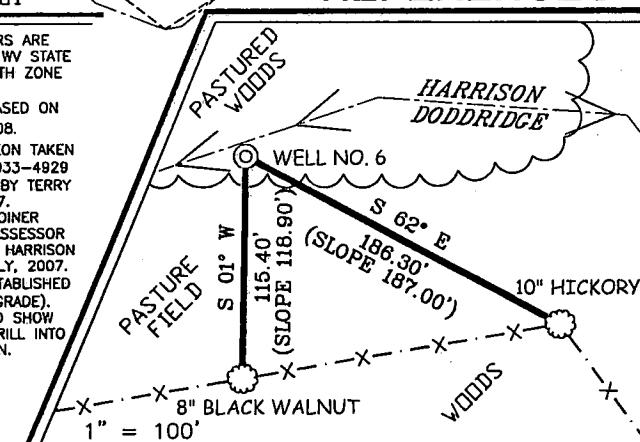
R. HUSK
31.9 ACRES±

5050

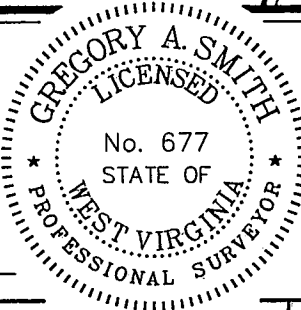
24" WHITE ASH
@ FENCE 3-WAYC. MUTSCHELKNAUS
48.05 ACRES±B. KENNEDY
23.59 ACRES±26" CHESTNUT OAK
@ FENCE 3-WAYL. COWGILL
30 ACRES±C. MUTSCHELKNAUS, JR.
4.53 ACRES±F. DAVIS
28.415 ACRES±

- NOTES ON SURVEY
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
 2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-24-08.
 3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM WELL PLAT FOR API 47-033-4929 (MUTSCHELKNAUS #1) PREPARED BY TERRY A SHREVE JUNE 25, 2007.
 4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON AND DODDRIDGE COUNTIES IN JULY, 2007.
 5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
 6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 24, 20 08UPDATED MAY 16, 20 08OPERATORS WELL NO. MUTSCHELKNAUS #6API WELL NO. 47 - 17 - 05672STATE WV COUNTY WV PERMIT 05672

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6673P6R(256-45)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS X LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION: ELEVATION 1,351' WATERSHED LONG RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER C.W. MUTSCHELKNAUS ACREAGE 47.86±

ROYALTY OWNER C.W. MUTSCHELKNAUS ETAL LEASE ACREAGE 150±

PROPOSED WORK: LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

COUNTY NAME

PERMIT

(N) 287,864
(F) 1.691.045

M. MUTSCHELKNA
7,805 ACRES+

M. MUTSCHELKNAUS
80 ACRES+

R. ROGERS
29.30 ACRES±

J. NICHOLSON
28.75 ACRES±
1816-P

WELL NO. 6

S 73° W
990.00'

FENCE POST

B. PRATT
50 ACRES±

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-24-08.
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4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON AND DODDRIEGE COUNTIES IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 24 20 08

OPERATORS WELL NO. MUTSCHELKNAUS #6

API
WELL NO. 47 - 017 - 05672
STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT
THIS PLAT IS CORRECT TO THE BEST OF MY
KNOWLEDGE AND BELIEF AND SHOWS ALL
THE INFORMATION REQUIRED BY LAW AND
THE REGULATIONS ISSUED AND PRESCRIBED
BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

MINIMUM DEGREE OF ACCURACY	1 / 200
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FILE NO. 6673P6(256-45)

PROVEN SOURCE OF ELEVATION _____ SCALE _____
 DGPS (SUBMETER MAPPING GRADE) _____

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

WELL TYPE :	OIL	GAS	X	LIQUID INJECTION	WASTE DISPOSAL	IF "GAS" PRODUCTION	X	STORAGE	DEEP	SHALLOW	X
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LOCATION :
ELEVATION 1,351' WATERSHED LONG RUN

DISTRICT	GRANT	COUNTY	DODDRIDGE	QUADRANGLE	SALEM 7.5'
----------	-------	--------	-----------	------------	------------

SURFACE OWNER C.W. MUTSCHELKNAUS ACREAGE 47.86±

ROYALTY OWNER C.W. MUTSCHELKNAUS ETAL LEASE ACREAGE 150±

PROPOSED WORK : LEASE NO

DRILL X CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE X PLUG OFF OLD
FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION _____ MARCELLUS

ESTIMATED DEPTH _____ 7,800'

WELL OPERATOR HALL DRILLING, LLC

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

COUNTY NAME

PERMI

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 47 - 05670
Operator's Well No. Mutschelknaus No. 6

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Long Run Quadrangle Salem 7.5'

Elevation 1351' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 29 day of April, 2008

NOTARY PUBLIC
STATE OF WEST VIRGINIA
SPECIAL IN COMMISSION
My commission expires 4/18/2011

My commission expires _____

Salem

Operator: HALL DRILLING, LLC
API: 1705672
WELL No: MUTSCHELKNAUS 6
Reviewed by: La Date: 5-8-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☐ ☒ WW-2B
- ☒ ☒ Inspector signature on WW-2B
- ☐ ☒ WW-2A (Notarized)
- ☐ ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ ☐ Surface Owner Waiver
- ☐ ☐ Coal Owner / Lessee / Operator Waiver
- ☐ ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☐ ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☐ ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ ☒ Inspector Signature on WW-9
- ☐ ☒ Reclamation plan
- ☐ ☒ Topographic Map of location of well
- ☐ ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☐ ☒ Bond
- ☐ ☒ Company is Registered with the SOS
- ☐ ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ ☒ \$650.00 check (\$550.00 if no pit)

05/05/2008 12:21 3047829855
05/05/2008 10:47 3048693400

MUTSCHELKNAUS
HALL DRILLING LLC

17-05672
PAGE 01/01
PAGE 01/01

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge

Operator Hall Drilling, LLC
Operator well number Mutschelknaus No. 6

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Clarence W. Mutschelknaus Date *5/5/08*
Signature
Mary J. Mutschelknaus

Company
Name
By
Its
Signature Date
Date

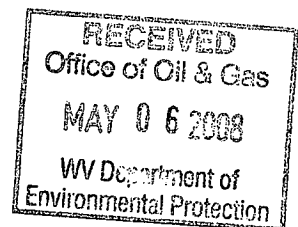
17-05672

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource.

May 5, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304



Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Mutschelknaus No. 6

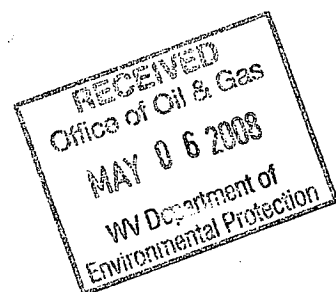
Also enclosed is check no. 012999 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "Annalisa Dobbins".

Annalisa Dobbins
Administrative Assistant

Enclosures: Well package for Mutschelknaus No. 6
Check No. 012999- \$650.00



MUTSCHELKNAUS LEASE

150 ACRES±
WELL NO. 6WELL NO. 6
STATE PLANE
COORDINATES(N) 287,864
(E) 1,691,045M. MUTSCHELKNAUS
7.805 ACRES±M. MUTSCHELKNAUS
.80 ACRES±R. ROGERS
29.30 ACRES±J. NICHOLSON
28.75 ACRES±
1816-PC. MUTSCHELKNAUS
16.78 ACRES±C. MUTSCHELKNAUS
47.86 ACRES±B. PRATT
50 ACRES±BRIGHT TIMBERLANDS, LLC
78.39 ACRES±

30" BLACK GUM

R. HUSK
31.9 ACRES±24" WHITE ASH
@ FENCE 3-WAYC. MUTSCHELKNAUS
48.05 ACRES±B. KENNEDY
23.59 ACRES±
26" CHESTNUT OAK
@ FENCE 3-WAYL. COWGILL
30 ACRES±C. MUTSCHELKNAUS, JR
4.53 ACRES±F. DAVIS
28.415 ACRES±

REFERENCES

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-24-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM WELL PLAT FOR API 47-033-4929 (MUTSCHELKNAUS #1) PREPARED BY TERRY A. SHREVE JUNE 25, 2007.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON AND DODDRIDGE COUNTIES IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS (SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

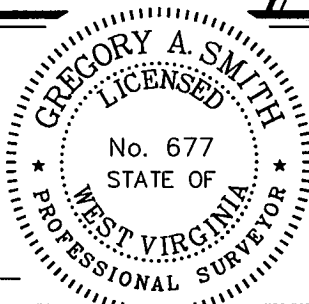
DATE APRIL 24 20 08

UPDATED MAY 16 20 08

OPERATORS WELL NO. MUTSCHELKNAUS #6

API
WELL NO. 47 - 17 - 05672
STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6673P6R(256-45)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ GAS ☒ LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP ☒ SHALLOW _____

LOCATION: ELEVATION 1,351' WATERSHED LONG RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER C.W. MUTSCHELKNAUS ACREAGE 47.86±

ROYALTY OWNER C.W. MUTSCHELKNAUS ETAL LEASE ACREAGE 150±

PROPOSED WORK: LEASE NO. _____

DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346 ELLENBORO, WV 26346

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

March 29, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

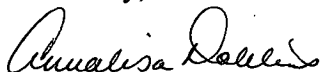
Dear Laura,

We are sending you the enclosed documents to add to the following permit packages that we have already submitted to the WV DEP. We would like to have them be permitted as deep wells. Enclosed is a revised WW2B and mylar sheet for each well location. Please be advised that we are hereby requesting a hearing in front of the commissioners in order to be able to drill the following well sites as deep wells.

- * Harbert No. 1 ⁵¹⁰⁰ 33-0 ~~5017~~
- * Mutschelknaus No. 6
- * J. L. Cottrill No. 1

Also enclosed is check no. 013136 in the amount of \$⁷⁵⁰~~700.00~~ for the extra amount due for deep well permit fees. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,



Annalisa Dobbins
Administrative Assistant

RECEIVED

Office of Oil & Gas

JUN 02 2008

WV Department of
Environmental Protection

Enclosures: **Request for Hearing** and
WW2B sheets & mylar sheets for
Mutschelknaus No. 6, Harbert No. 1, J. L. Cottrill No. 1



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

May 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705672, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: MUTSCHELKNAUS 6
Farm Name: MUTSCHELKNAUS, C. W.
API Well Number: 47-1705672
Permit Type: New Well
Date Issued: 05/09/2008

Promoting a healthy environment.

Form: WW - 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

17-05672

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Mutschelknaus No. 6 3) Elevation: 1351'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 95'

8) Approximate salt water depths: 1300'

9) Approximate coal seam depths: 65' 600'

10) Does land contain coal seams tributary to active mine? No

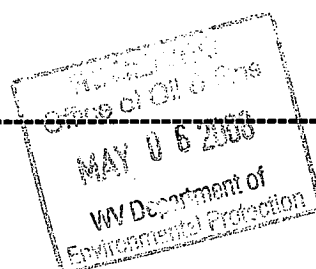
11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	9 5/8"		22 #	650'	450'	CTS
Fresh Water						
Coal						
Intermediate	7"		16 #	2900'	2900'	CTS
Production	4 1/2"		11.60 #	7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

CE 012999
#650



WW2-A
Revised 8/02

1) Date: April 28, 2008
2) Operator's Well Number: Mutschelknaus No. 6
3) API Well No.: 47 - 17 - 05672
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:
(a) Name C.W. Mutschelknaus
Address P.O. Box 351
Salem, WV 26426
(b) Name _____
Address _____
(c) Name _____
Address _____
6) Inspector Dave Belcher
Address 601 57th St. SE
Charleston, WV 25304
Telephone 304-926-0499

5) (a) Coal Operator
Name _____
Address _____
(b) Coal Owner(s) with Declaration
Name N/A
Address _____
Name _____
Address _____
(c) Coal Lessee with Declaration
Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR
X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through _____ on the above named parties by:

Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator
By Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 29 day of April, 2008

My Commission Expires 4/18/2011

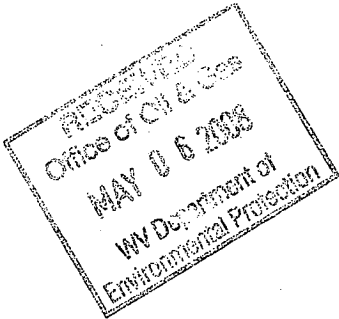
Notary Public

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
C.W. Mutschelknaus et al	Bluestone Energy Partners	1/8 th	1368/1149



Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

Well No. Mutschelknaus No. 6

17-05672

NOTE: There appears to be 3± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

ENVIRONMENTAL DIVISION

(304) 462-5634 • FAX 462-5656

17-05672

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling, LLC

LEASE NAME AND NUMBER: Mutschelknaus Lease Well No. 6

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Jimmy Nicholson (2 sites)

Address: P.O. Box 63 Salem, WV 26426

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: Clarence W. Mutschelknaus

Address: P.O. Box 351 Salem, WV 26426

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

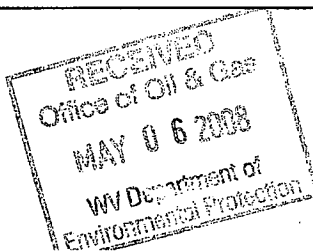
Comments: _____

Owner/Occupant: _____

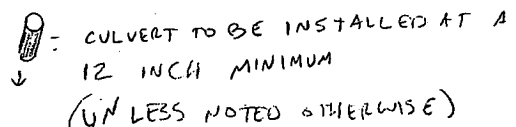
Address: _____

Letter/Notice Date: _____

Comments: _____



STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

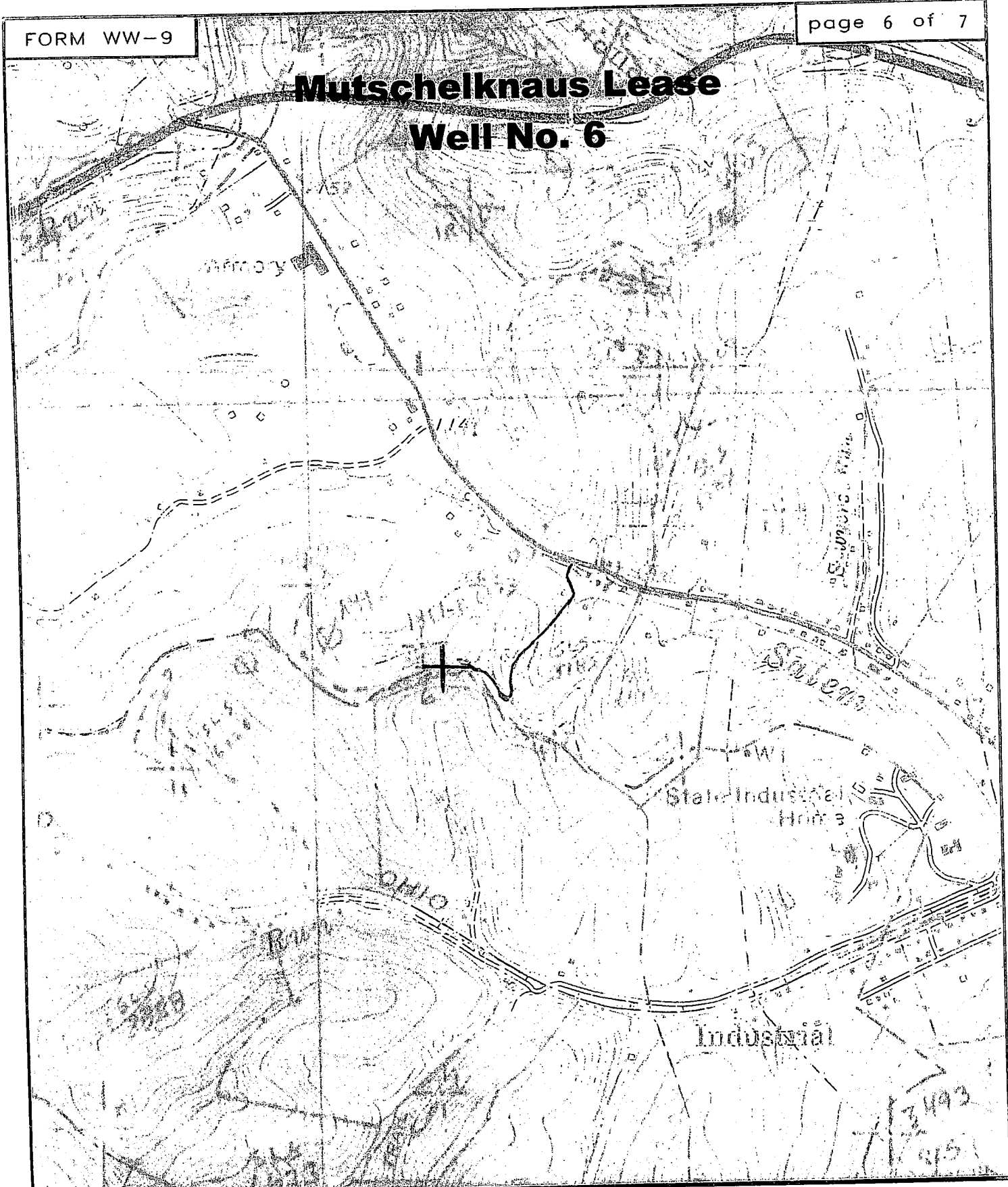


17-05672

FORM WW-9

page 6 of 7

Mutschelknaus Lease Well No. 6



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SALEM 7.5'

FILE NO. 6673 DATE 4/24/08 SCALE 1"=1000'

MUTSCHELKNAUS LEASE

150 ACRES±

WELL NO. 6

WELL NO. 6
STATE PLANE
COORDINATES(N) 287,864
(E) 1,691,045M. MUTSCHELKNAUS
7.805 ACRES±M. MUTSCHELKNAUS
.80 ACRES±R. ROGERS
29.30 ACRES±J. NICHOLSON
28.75 ACRES±COASTAL
FOREST
RESOURCES
91 ACRES±J. SAMPLES
8.26 ACRES±BRIGHT TIMBERLANDS,
LLC
78.39 ACRES±

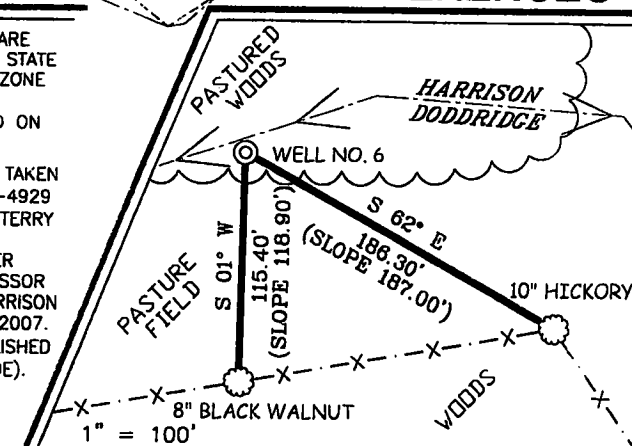
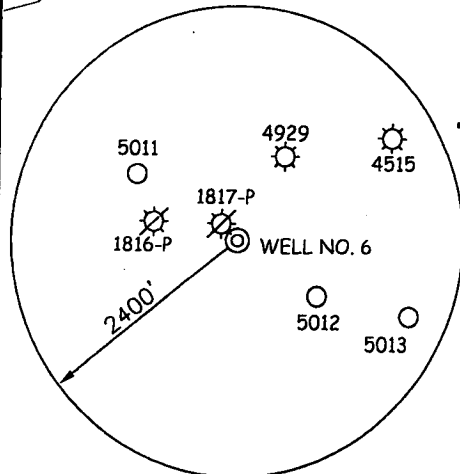
30" BLACK GUM

R. HUSK
31.9 ACRES±24" WHITE ASH
@ FENCE 3-WAYC. MUTSCHELKNAUS
48.05 ACRES±B. KENNEDY
23.59 ACRES±26" CHESTNUT OAK
@ FENCE 3-WAYL. COWGILL
30 ACRES±C. MUTSCHELKNAUS, JR
4.53 ACRES±F. DAVIS
28.415 ACRES±B. PRATT
50 ACRES±

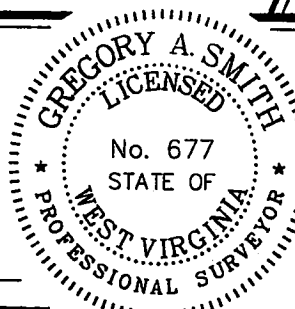
NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-24-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM WELL PLAT FOR API 47-033-4929 (MUTSCHELKNAUS #1) PREPARED BY TERRY A SHREVE JUNE 25, 2007.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON AND DODDRIDGE COUNTIES IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. *Gregory A. Smith*
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 24, 20 08

OPERATORS WELL NO. MUTSCHELKNAUS #6

API WELL NO. 47-017-05672
STATE COUNTY PERMITMINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6673P6(256-45)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

WELL TYPE: OIL GAS X LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION X STORAGE DEEP SHALLOW X

LOCATION: ELEVATION 1,351' WATERSHED LONG RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER C.W. MUTSCHELKNAUS ACREAGE 47.86±

ROYALTY OWNER C.W. MUTSCHELKNAUS ETAL LEASE ACREAGE 150±

PROPOSED WORK: LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249
ELLENBORO, WV 26346ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME PERMIT

Form: WW - 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

17-05665

1) Well Operator Hall Drilling, LLC

	<u>17</u>	<u>3</u>	<u>611</u>
Operator ID	County	District	Quadrangle
			<u>Smithburg 7.5'</u>

2) Operators Well Number: Underwood No. 2 3) Elevation: 1283'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 8100' Feet
7) Approximate fresh water strata depths: 65'
8) Approximate salt water depths: 920'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	
Conductor	13 7/8"			250'	250'	CTS By Rule 35 CSR 4-11.1
Fresh Water	9 5/8"			1283'	1283'	
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			8100'	8100'	
Tubing						
Liners						

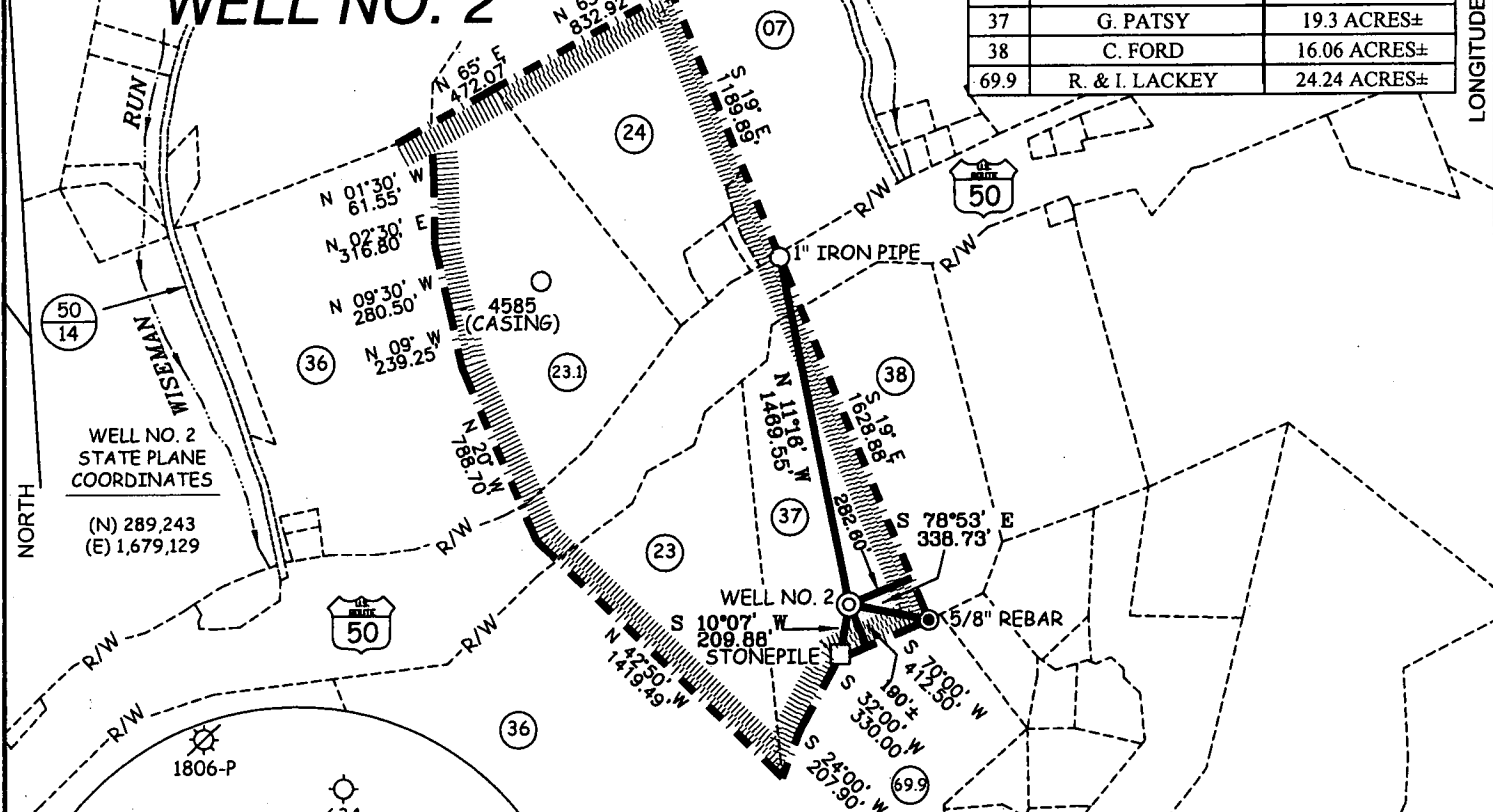
Packers: Kind
 Sizes
 Depths Set
OK 012958
 1.50

RECEIVED
Office of Oil & Gas
MAY 01 2008
WV Department of
Environmental Protection

UNDERWOOD LEASE
90 ACRES±
WELL NO. 2

LATITUDE 39°17'30"		
PARCEL TABLE		
23	J. WICKLAND	13.22 ACRES±
23.1	V. UNDERWOOD	28.75 ACRES±
24	W. McCLAIN	16.64 ACRES±
07	G. & M. REYNOLDS	38 ACRES±
36	G. & M. REYNOLDS	73.37 ACRES±
37	G. PATSY	19.3 ACRES±
38	C. FORD	16.06 ACRES±
69.9	R. & I. LACKEY	24.24 ACRES±

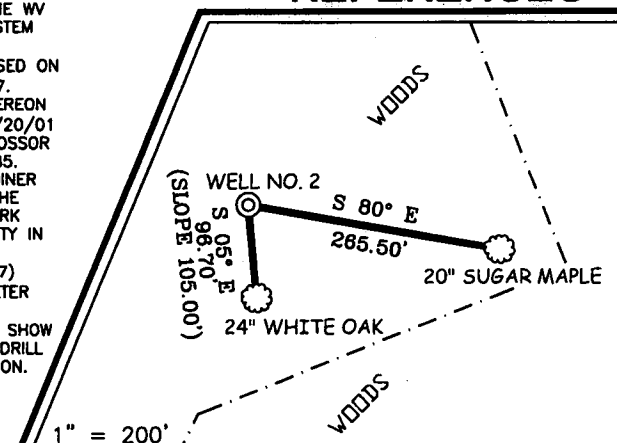
LONGITUDE 80°37'30" 01



NOTES ON SURVEY

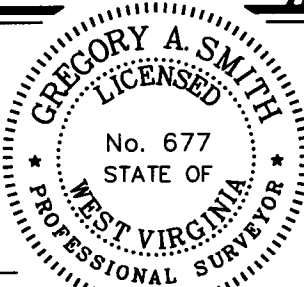
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12/17/07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM A PLAT DATED 03/20/01 AS PREPARED BY WILLIAM R. MOSSOR FOR A.P.I. NO. 47-017-4585.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT
THIS PLAT IS CORRECT TO THE BEST OF MY
KNOWLEDGE AND BELIEF AND SHOWS ALL
THE INFORMATION REQUIRED BY LAW AND
THE REGULATIONS ISSUED AND PRESCRIBED
BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 27, 20 07

UPDATED MAY 16 20 08

OPERATORS WELL NO. UNDERWOOD #2

API

WELL NO. 47 — —

STATE _____ COUNTY _____ PERMIT _____

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6693P2R(252-12)

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ GAS X LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION X STORAGE _____ DEEP X SHALLOW _____

LOCATION : _____
ELEVATION 1,283' _____ WATERSHED BUCKEYE RUN _____

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'

SURFACE OWNER G. PATSY ACREAGE 19.3±

ROYALTY OWNER	E. UNDERWOOD ETAL	LEASE ACREAGE	90±
---------------	-------------------	---------------	-----

LEASE NO.

PROPOSED WORK:	Y	REPAIR DEFECTS	REPAIR	FRAC TURE OR STIMULATE	Y	PLUG OFF OLD
----------------	---	----------------	--------	------------------------	---	--------------

DRILL A CONVERT DRILL DEEPER REDRILL FILL/STAKE ON CHIMNEY FILL ON TOP

FORMATION____ PERFORATE NEW FORMATION____ PLUG AND ABANDON____ CLEAN OUT AND REFLUSH____ OTHER____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION _____

ESTIMATED DEPTH 5,100

HALL DRILLING LLC

WELL OPERATOR PAUL STREIBER, JR. DESIGNATED AGENT PAUL STREIBER, JR.
P.O. BOX 249 ADDRESS P.O. BOX 249

ADDRESS ELLENBORO, WV 26346 ADDRESS ELLENBORO, WV 26346

2453



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

May 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705665, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: UNDERWOOD 2

Farm Name: PATSY, G.

API Well Number: 47-1705665

Permit Type: New Well

Date Issued: 05/09/2008

Promoting a healthy environment.

Form: WW - 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

17-05665

1) Well Operator Hall Drilling, LLC

	Doddridge	Grant	Smithburg 7.5'
Operator ID	County	District	Quadrangle

2) Operators Well Number: Underwood No. 2 3) Elevation: 1283'

4) Well Type: (a) Oil _____ or Gas X
(b) If Gas: Production X / Underground Storage _____
Deep _____ / Shallow X

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800 Feet
7) Approximate fresh water strata depths: 65'
8) Approximate salt water depths: 920'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			250'	250'	CTS <i>[Signature]</i>
Fresh Water	9 5/8"			1283'	1283'	
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			7800'	7775'	
Tubing						
Liners						

Packers: Kind
 Sizes
 Depths Set

OK 012958
1.50

RECEIVED
Office of Oil & Gas
MAY 01 2008
WV Department of
Environmental Protection

WW2-A
Revised 8/02

1) Date: December 28, 2007
2) Operator's Well Number: Underwood No. 2
3) API Well No.: 47 - 017 - 05465
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Glen Patsy
Address HCR 70 Box 542
Davis, WV 26260

(b) Name _____
Address _____

(c) Name _____
Address _____

6) Inspector Mike Underwood
Address Route 2 Box 135
Salem, WV 26426
Telephone 304-552-3874

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration

Name None
Address _____

Name _____
Address _____

(c) Coal Lessee with Declaration

Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ____ on the above named parties by:

Personal Service (Affidavit attached)

X Certified Mail (Postmarked postal receipt attached)

Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling, LLC

By: Mike Hall
NOTARY PUBLIC

Its: Designated Agent

Address P.O. Box 249

Ellenboro, WV 26346

Telephone 304-869-3405

Subscribed and sworn before me this _____ day of _____

Notary Public

My Commission Expires 4/15/2011

Form WW-2A-1
(8/02)

Operator's Well Number Underwood No. 2 17-05665

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
E. Underwood, et al	Bluestone Energy Partners	1/8th	220/494

Well Operator:

By: Hall Drilling, LLC

Its: Mike Hall

Designated Agent

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<input checked="" type="checkbox"/>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
<input type="checkbox"/>	Well operator's private laboratory	
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Underwood No. 2

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05665



SMITH LAND SURVEYING, INC.

ENVIRONMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling
LEASE NAME AND NUMBER: Underwood 2

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: John E. Wickland
Address: 187 Archwood Ave. Bridgeport, WV 26330 Letter/Notice Date: 1/24/08
Comments: _____

Owner/Occupant: Glenn Patsy
Address: HCR 70 Box 542 Davis, WV 26260 Letter/Notice Date: 1/24/08
Comments: _____

Owner/Occupant: Danny and Brenda Harper
Address: PO Box 429 Davin, WV 25617 Letter/Notice Date: 1/24/08
Comments: _____

Owner/Occupant: Terry and Geneva Harper
Address: PO box 16 Verner, WV 25650 Letter/Notice Date: 1/24/08
Comments: _____

Owner/Occupant: Roy and Iwana Lackey
Address: Rt. 2 Box 166B Salem, WV 26426 Letter/Notice Date: 1/24/08
Comments: _____

17-05665

Form WW-9

page of

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS-DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

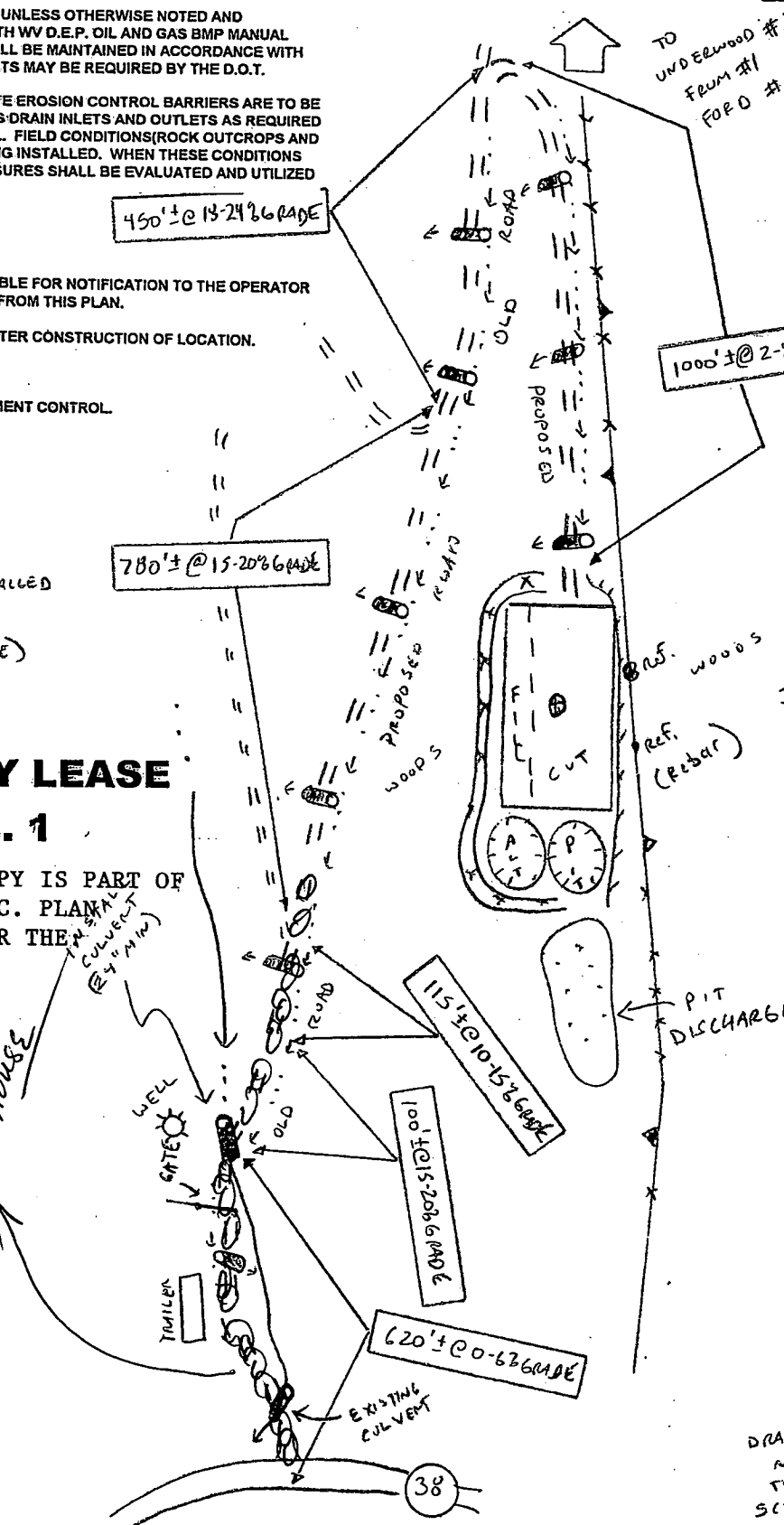
STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

P = CULVERT TO BE INSTALLED
U AT A 12" MINIMUM
(UNLESS NOTED OTHERWISE)

SHAUGHNESSY LEASE WELL NO. 1

NOTE: THIS COPY IS PART OF
A PREVIOUS REC. PLAN
BEING USED FOR THE
UNDERWOOD #2

STONY
MINIMUM
PLOT HOUSE

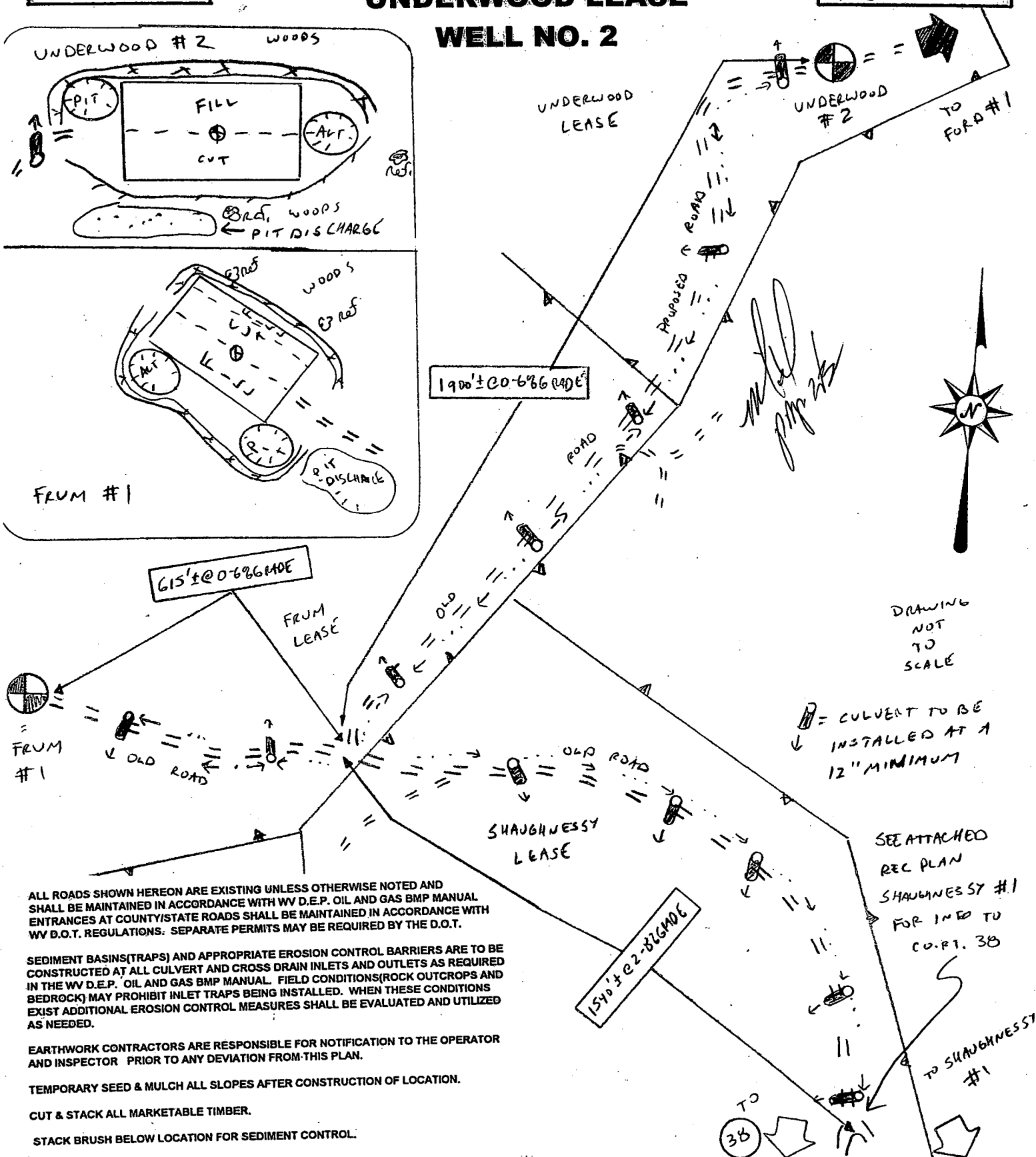
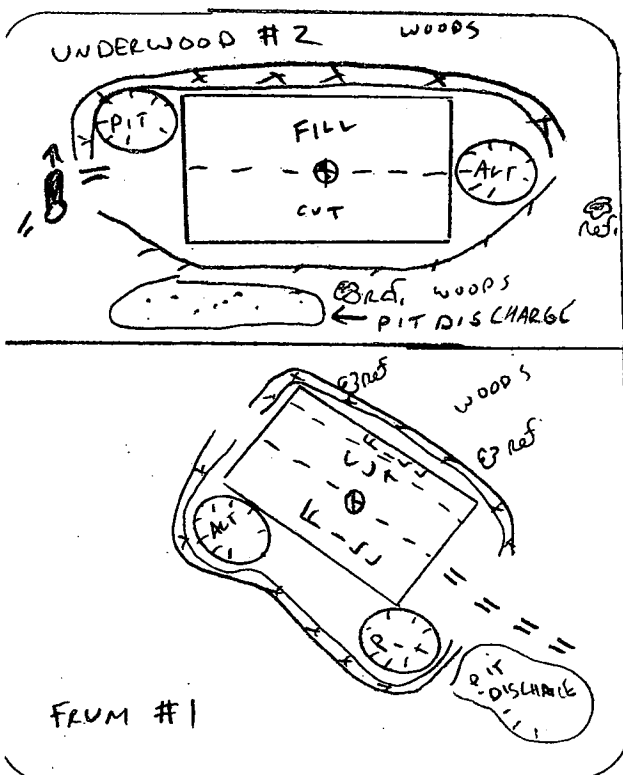


DRAWING
NOT
TO
SCALE

Form WW-9

UNDERWOOD LEASE WELL NO. 2

17-05665
page of



ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5656 or 462-5634

DRAWN BY C.P.M. DATE 1/14/08 FILE NO. 6693



DRAWING
NOT
TO
SCALE

CULVERT TO BE
INSTALLED AT A
12" MINIMUM

SEE ATTACHED
REC PLAN
SHAUGHNESSY #1
FOR INFO TO
CO.P. 38

TO SHAUGHNESSY
#1

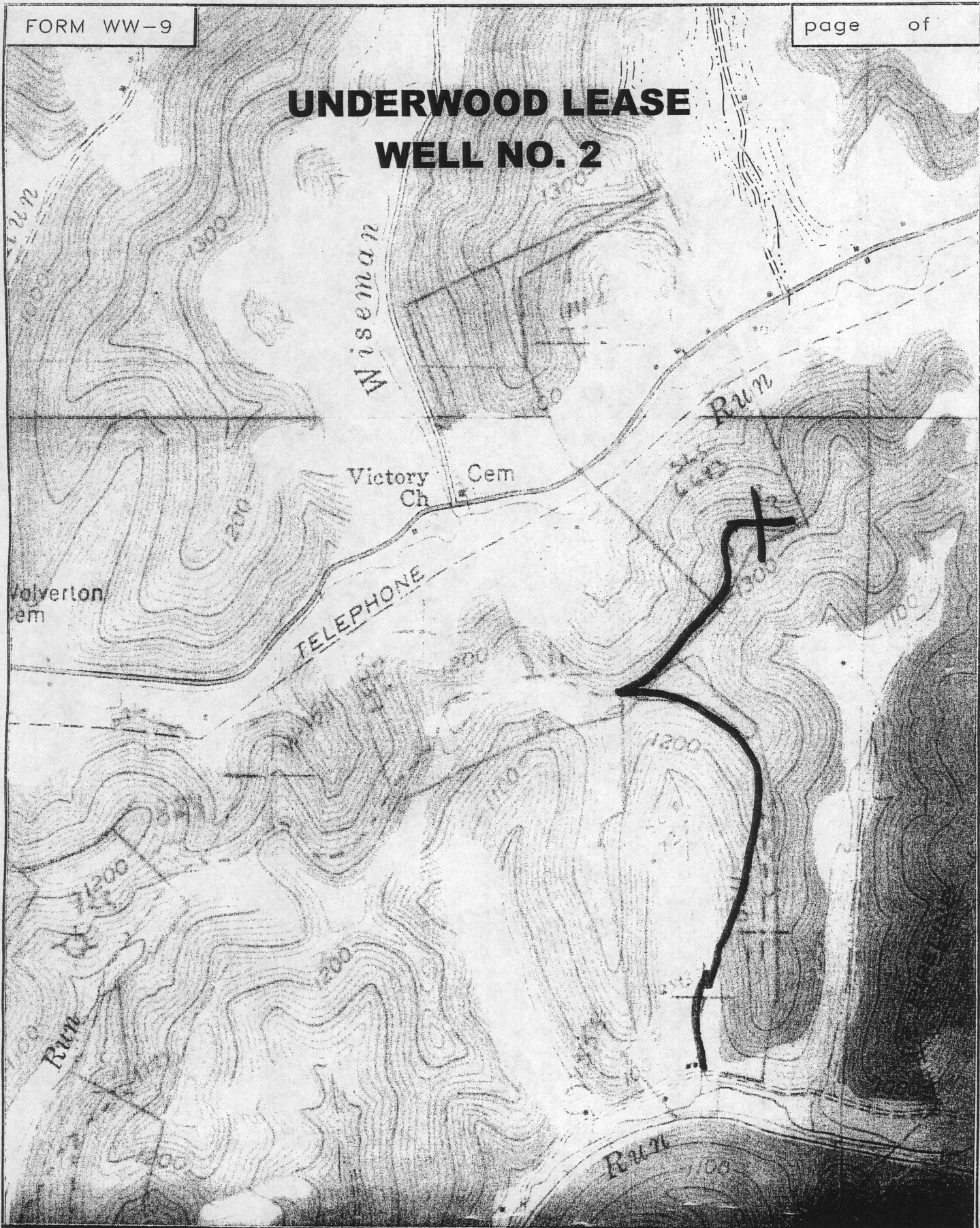
TO
3B

17-0365

FORM WW-9

page of

UNDERWOOD LEASE WELL NO. 2



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SMITHBURG 7.5'

FILE NO. 6693 DATE 1/14/08 SCALE 1"=1000'

UNDERWOOD LEASE

90 ACRES±

WELL NO. 2

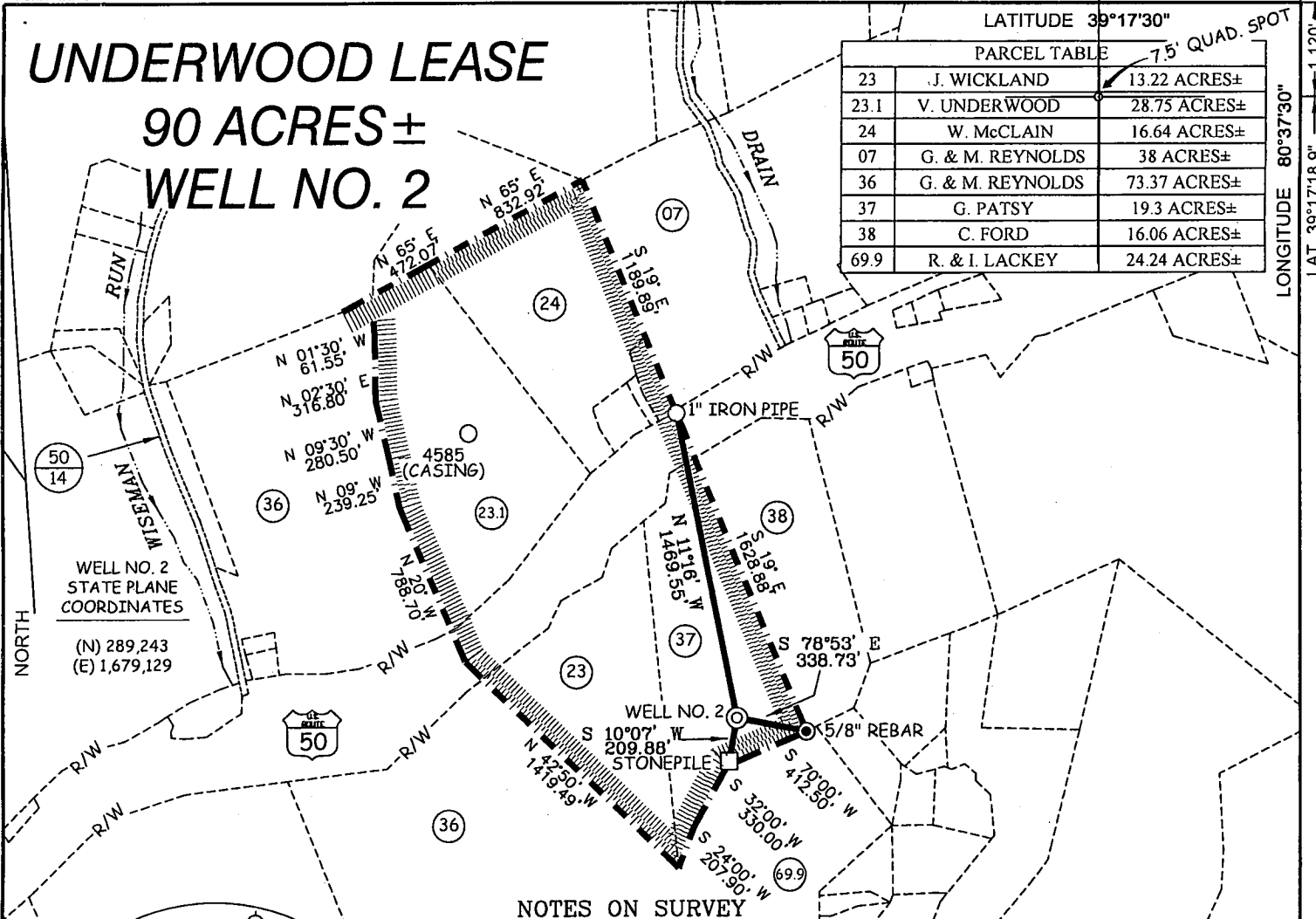
LATITUDE 39°17'30"

7.5 QUAD. SPOT

PARCEL TABLE

23	J. WICKLAND	13.22 ACRES±
23.1	V. UNDERWOOD	28.75 ACRES±
24	W. McCLAIN	16.64 ACRES±
07	G. & M. REYNOLDS	38 ACRES±
36	G. & M. REYNOLDS	73.37 ACRES±
37	G. PATSY	19.3 ACRES±
38	C. FORD	16.06 ACRES±
69.9	R. & I. LACKEY	24.24 ACRES±

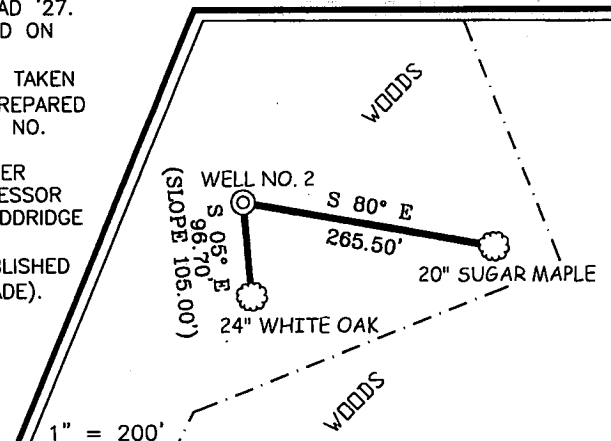
LONGITUDE 80°37'30"



NOTES ON SURVEY

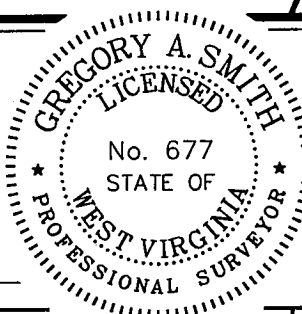
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12/17/07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM A PLAT DATED 03/20/01 AS PREPARED BY WILLIAM R. MOSSOR FOR A.P.I. NO. 47-017-4585.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



SLS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 27, 20 07

OPERATORS WELL NO. UNDERWOOD #2

API WELL NO. 47 - 017 - 05665
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6693P2(252-12)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ LIQUID GAS ☒ INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP _____ SHALLOW ☒
LOCATION: ELEVATION 1,283' WATERSHED BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SMITHBURG 7.5'
SURFACE OWNER G. PATSY ACREAGE 19.3±
ROYALTY OWNER E. UNDERWOOD ETAL LEASE ACREAGE 90±
PROPOSED WORK: DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME PERMIT

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 17 - 05665
Operator's Well No. Underwood No. 2

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Buckeye Run Quadrangle Smithburg 7.5'

Elevation 1283' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

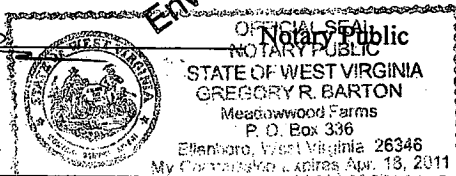
Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 4th day of Jan. 2008

My commission expires 4/18/2011



Smithburg

Operator: HALL DRILLING, LLC
API: 1705665
WELL No: UNDERWOOD 2
Reviewed by: ha Date: 5-8-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- 2/
- ☒ ☒ WW-2B
 - ☒ ☒ Inspector signature on WW-2B
 - ☐ ☒ WW-2A (Notarized)
 - ☐ ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
 - ☐ ☐ Surface Owner Waiver
 - ☒ ☐ Coal Owner / Lessee / Operator Waiver
 - ☒ ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
 - ☒ ☐ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
 - ☒ ☐ WW-9 (Page 1 & 2) (Notarized)
 - ☐ ☒ Inspector Signature on WW-9
 - ☐ ☒ Reclamation plan
 - ☐ ☒ Topographic Map of location of well
 - ☐ ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
 - ☒ ☐ Bond
 - ☒ ☐ Company is Registered with the SOS
 - ☒ ☐ Worker's Compensation / Unemployment Insurance account is OK
 - ☒ ☒ \$650.00 check (\$550.00 if no pit)

17-05065

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

April 30, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Underwood No. 2

Also enclosed is check no 012958 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,



Annalisa Dobbins
Administrative Assistant

Enclosures: Well package for Underwood No. 2
Check No. 012958- \$650.00

SPOT

LONGITUDE 80°37'30"

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 27, 20 07

OPERATORS WELL NO. UNDERWOOD #2

API
WELL
NO. 47 - 017 - 05665

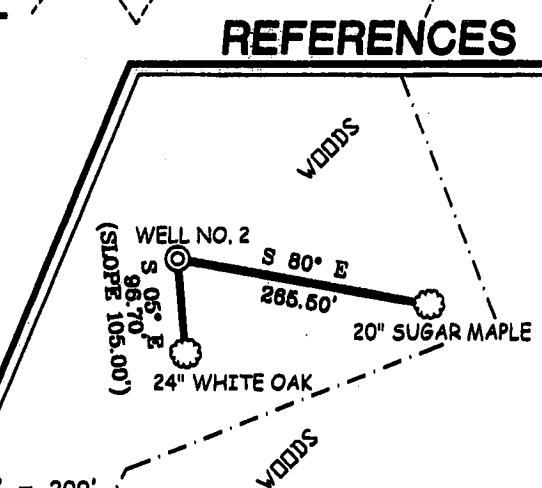
STATE COUNTY PERMIT

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

WELL OPERATOR	HALL DRILLING, LLC	DESIGNATED AGENT	MIKE HALL
ADDRESS	P.O. BOX 249 ELLENBORO, WV 26346	ADDRESS	P.O. BOX 249 ELLI RO, WV 26346

COUNTY NAME	PERMIT
-------------	--------

LONGITUDE 80°37'30" LAT. 39°17'18.9" ——— 1.120'



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE DECEMBER 27 , 20 07

UPDATED MAY 16 , 20 08

OPERATORS WELL NO. UNDERWOOD #2

API
WELL
NO. 47 — —

STATE COUNTY PERMIT



COUNTY NAME

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

Form: WW - 2B

17-5535

596

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 5 596
Operator ID County District Quadrangle

2) Operators Well Number: B. Coffman No. 2 3) Elevation: 1288'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 8100' Feet

7) Approximate fresh water strata depths: 120'

8) Approximate salt water depths: None

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

RECEIVED
Office of Oil & Gas

OCT 31 2007

WV Department of
Environmental Protection

12) CASING AND TUBING PROGRAM

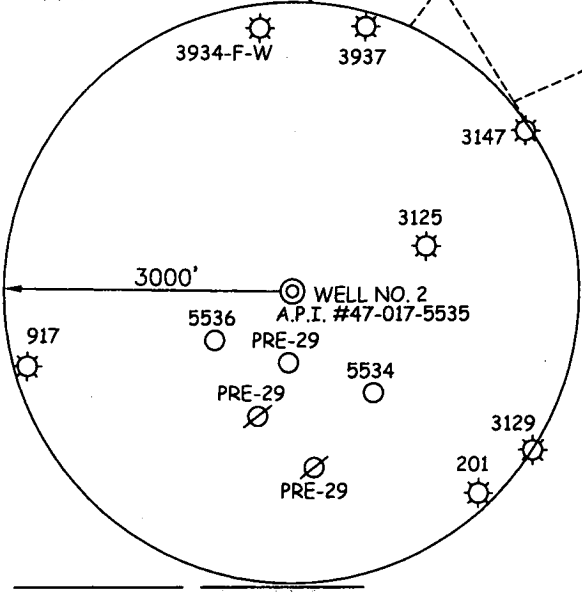
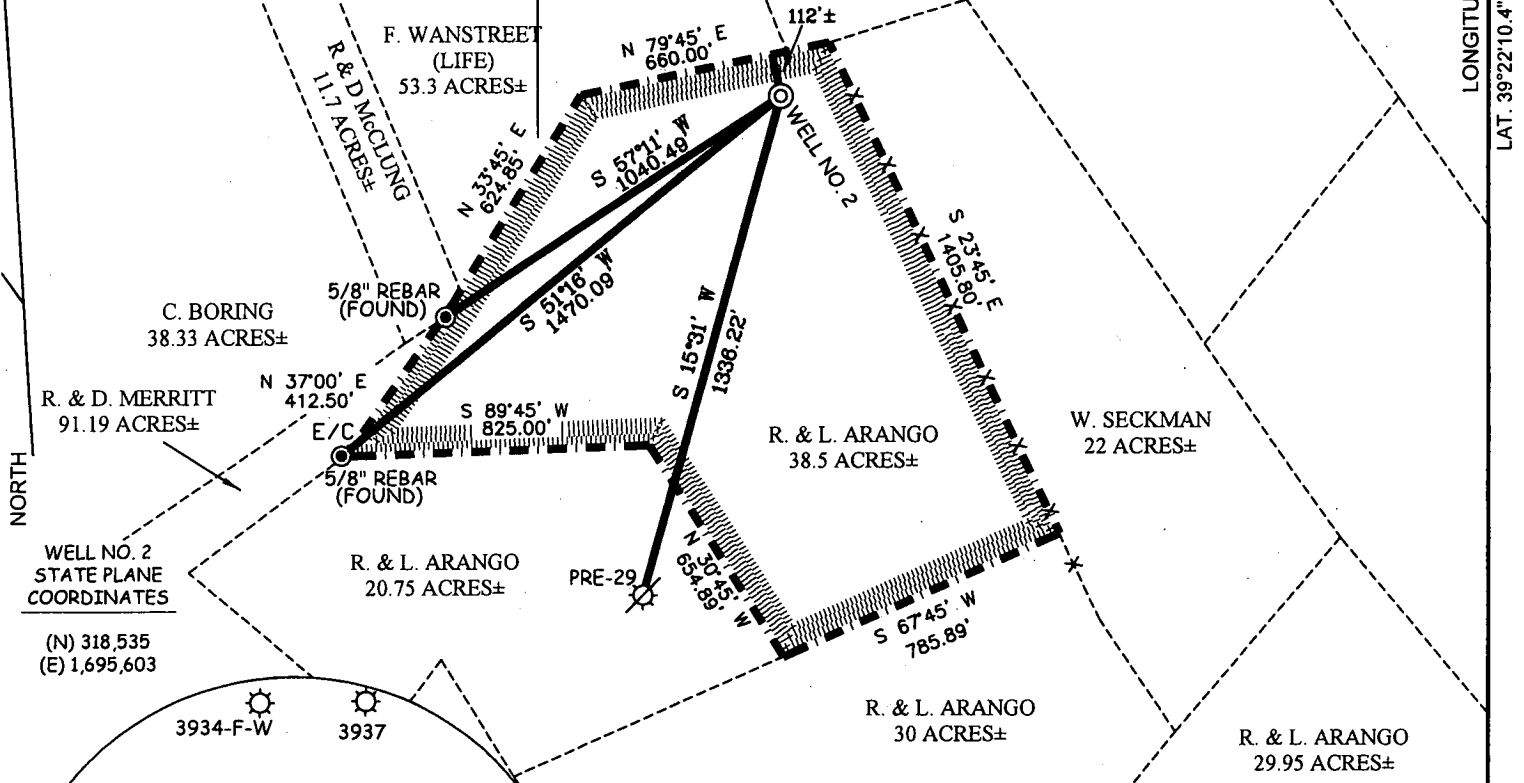
TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	9 5/8"		22#	300'	300'	CTS
Fresh Water						
Coal						
Intermediate	7"		16#	2900'	2900'	CTS
Production	4 1/2"		11.50	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

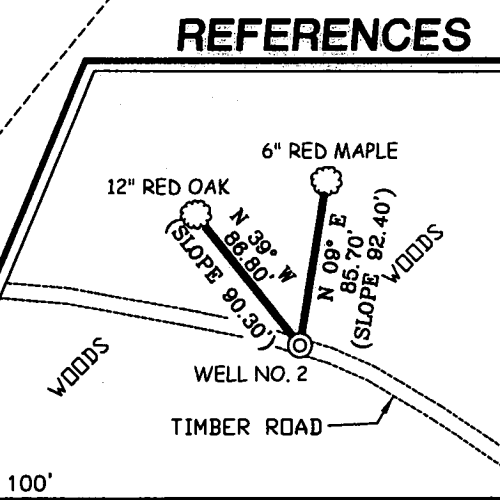
2007 Oct 24 2007

Cl# 11927
1050-

B. COFFMAN LEASE
38.5 ACRES±
WELL NO. 2

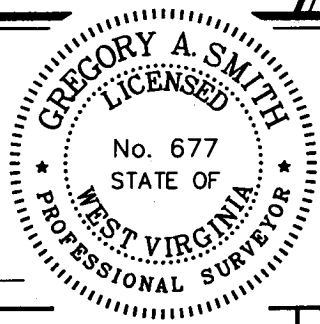


- NOTES ON SURVEY**
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
 2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 10-11-07.
 3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 45 PAGE 11.
 4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
 5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
 6. THIS PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 *Gregory A. Smith*



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 16 , 20 07
UPDATED MAY 20 , 20 08

OPERATORS WELL NO. B. COFFMAN #2

API WELL NO. 47 - 017 - 5535

STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6606P2R(248-18)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

WELL TYPE: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> LIQUID INJECTION <input type="checkbox"/> WASTE DISPOSAL <input type="checkbox"/> IF "GAS" PRODUCTION <input checked="" type="checkbox"/> STORAGE <input type="checkbox"/> DEEP <input checked="" type="checkbox"/> SHALLOW <input type="checkbox"/>
LOCATION: ELEVATION <u>1,288'</u> WATERSHED <u>SKELTON RUN</u>
DISTRICT <u>McCLELLAN</u> COUNTY <u>DODDRIDGE</u> QUADRANGLE <u>SALEM 7.5'</u>
SURFACE OWNER <u>RICHARD & LAUREN ARANGO</u> ACREAGE <u>38.5±</u>
ROYALTY OWNER <u>ORA COFFMAN ETAL</u> LEASE ACREAGE <u>38.5±</u>
PROPOSED WORK: LEASE NO. <u></u>
DRILL <input checked="" type="checkbox"/> CONVERT <input type="checkbox"/> DRILL DEEPER <input type="checkbox"/> REDRILL <input type="checkbox"/> FRACTURE OR STIMULATE <input checked="" type="checkbox"/> PLUG OFF OLD FORMATION <input type="checkbox"/> PERFORATE NEW FORMATION <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CLEAN OUT AND REPLUG <input type="checkbox"/> OTHER <input type="checkbox"/>
PHYSICAL CHANGE IN WELL (SPECIFY) <u></u> TARGET FORMATION <u>Macedonia</u>
ESTIMATED DEPTH <u>8,100'</u>
WELL OPERATOR <u>HALL DRILLING, LLC</u> DESIGNATED AGENT <u>MIKE HALL</u>
ADDRESS <u>P.O. BOX 249</u> ADDRESS <u>P.O. BOX 249</u>
<u>ELLENBORO, WV 26346</u> <u>ELLENBORO, WV 26346</u>



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

November 08, 2007

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705535, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.


James Martin
Chief

Operator's Well No: B. COFFMAN 2
Farm Name: ARANGO, RICHARD & LAUREN
API Well Number: 47-1705535
Permit Type: New Well
Date Issued: 11/08/2007

Promoting a healthy environment.

Form: WW - 2B

17-5535

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 5 596
Operator ID County District Quadrangle

2) Operators Well Number: B. Coffman No. 2 3) Elevation: 1288'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Gordon
6) Proposed Total Depth: 3000 Feet
7) Approximate fresh water strata depths: 120'
8) Approximate salt water depths: None
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

RECEIVED
Office of Oil & Gas
OCT 31 2007

WV Department of
Environmental Protection

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	9 5/8"			150'	150'	CTS
Fresh Water						
Coal						
Intermediate	7"			1288'	1288'	CTS
Production	4 1/2"			3000'	2975'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
 Sizes
 Depths Set

CL# 11927
650.
OCT 24 2007

WW2-A
Revised 8/02

1) Date: October 18, 2007
2) Operator's Well Number: B. Coffman No. 2
3) API Well No.: 47 - 017-05585
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Richard & Lauren Arango</u>	Name _____
Address <u>P.O. Box 8543</u>	Address _____
<u>Port Saint Luci, FL 34985</u>	_____
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>None</u>
_____	Address _____
(c) Name _____	Name _____
Address _____	Address _____
_____	_____
6) Inspector <u>Mike Underwood</u>	(c) Coal Lessee with Declaration
Address <u>Route 2 Box 135</u>	Name _____
<u>Salem, WV 26426</u>	Address _____
Telephone <u>304-552-3874</u>	_____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR
X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through on the above named parties by:

 Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
 Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3495
My Commission Expires Apr 18, 2011

RECEIVED
Office of Oil & Gas

OCT 31 2007

Subscribed and sworn before me this

My Commission Expires 4/18/2011

Notary Public

WV Department of
Environmental Protection

FORM WW-9
Rev. 02/03

017-05535
Page 4 of 8
API Number 47 -
Operator's Well No. B. Coffman No. 2

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling OP Code _____

Watershed Skelton Run Quadrangle Salem 7.5'

Elevation 1288' County Doddridge District McClellan

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

RECEIVED
Office of Oil & Gas

OCT 31 2007

WV Department of
Environmental Protection

Subscribed and sworn before me this 22nd day of October, 2007

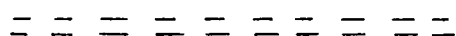
Notary Public
OFFICIAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BAY
Meadowood Farm
P. O. Box 336
Ellenboro, West Virginia 26041
My Commission Expires Apr. 14, 2011
4/18/2011

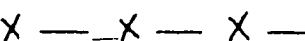
My commission expires _____

017-05585

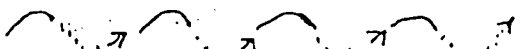
LEGEND

Property Boundary 

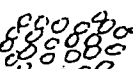
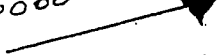
Road 


Existing Fence 


Planned Fence 


Stream 


Open Ditch 

Rock 
North 


Buildings 


Water wells 

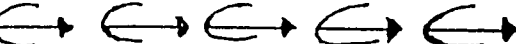
Drill site 


Diversion 

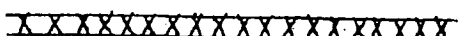
Spring 

Wet Spot 


Drain Pipe with size in inches 

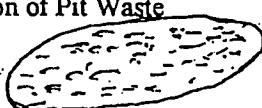
Waterway 

Cross Drain 

Artificial Filter Strip 

Pit: cut walls 

Pit: compacted fill walls 

Area for Land Application of Pit Waste 

Proposed Revegetation Treatment: Acres Disturbed 1.85+/- Prevegetation pH _____

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer (10-20-20 or equivalent) 1/3 TON lbs/acre (500 lbs minimum)

Mulch HAY 2 Tons/acre

Seed Mixtures

Seed Type	Area I lbs/acre
KY-31	40
ALSIKE CLOVER	5
ANNUAL RYE	15

Seed Type	Area II lbs/acre
ORCHARD GRASS	15
ALSIKE CLOVER	5

Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: 

Title: SUPV INSPECTOR Date: Oct 24 2007

Field Reviewed? ☒ Yes ☐ No

B. Coffman Lease

Form WW-9

017-05535

page 5 of 8

DJB
OCT 24 2007

SEE ATTACHED SHEETS FOR
DETAIL SKETCH OF B COFFMAN
#1'S 1, 2, & 3.

CULVERT TO BE INSTALLED AT
A 12 INCH MINIMUM ALONG WITH
PROPER SEDIMENT CONTROL. (UNLESS NOTED OTHERWISE)
DRAWING NOT TO SCALE

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND
SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL
ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH
WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE
CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED
IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND
BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS
EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED
AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR
AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

RECEIVED

Office of Oil & Gas

OCT 31 2007

WV Department of
Environmental Protection

Phone (304) 462-5656 or 462-5634

DRAWN BY C.P.M. DATE 10/16/07 FILE NO. 6606



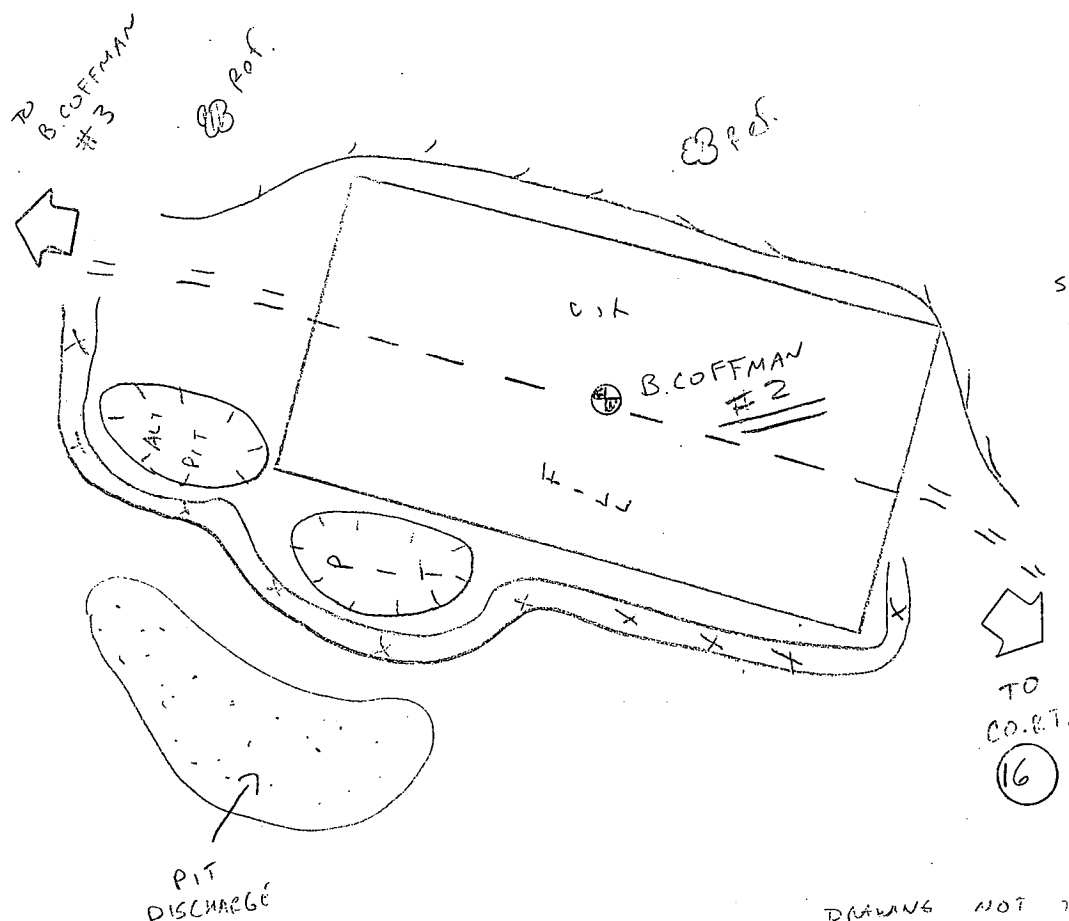
SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

B. Coffman Lease

Well No. 2

page 6 of 8



OK3
Oct 24 2007

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL. ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION. 01012107

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL

SHALL BE EVALUATED AND UTIL
RECEIVED

OR NO PRODUCTION OF OIL & GAS:

FUNCTION OF LOCATION

U.S. Department of
Environmental Protection

Phone (304) 462-5656 or 462-5634

DRAWN BY C.P.M. DATE 10/11/07 FILE NO. 6606

SLS SMITH LAND SURVEYING, INC.

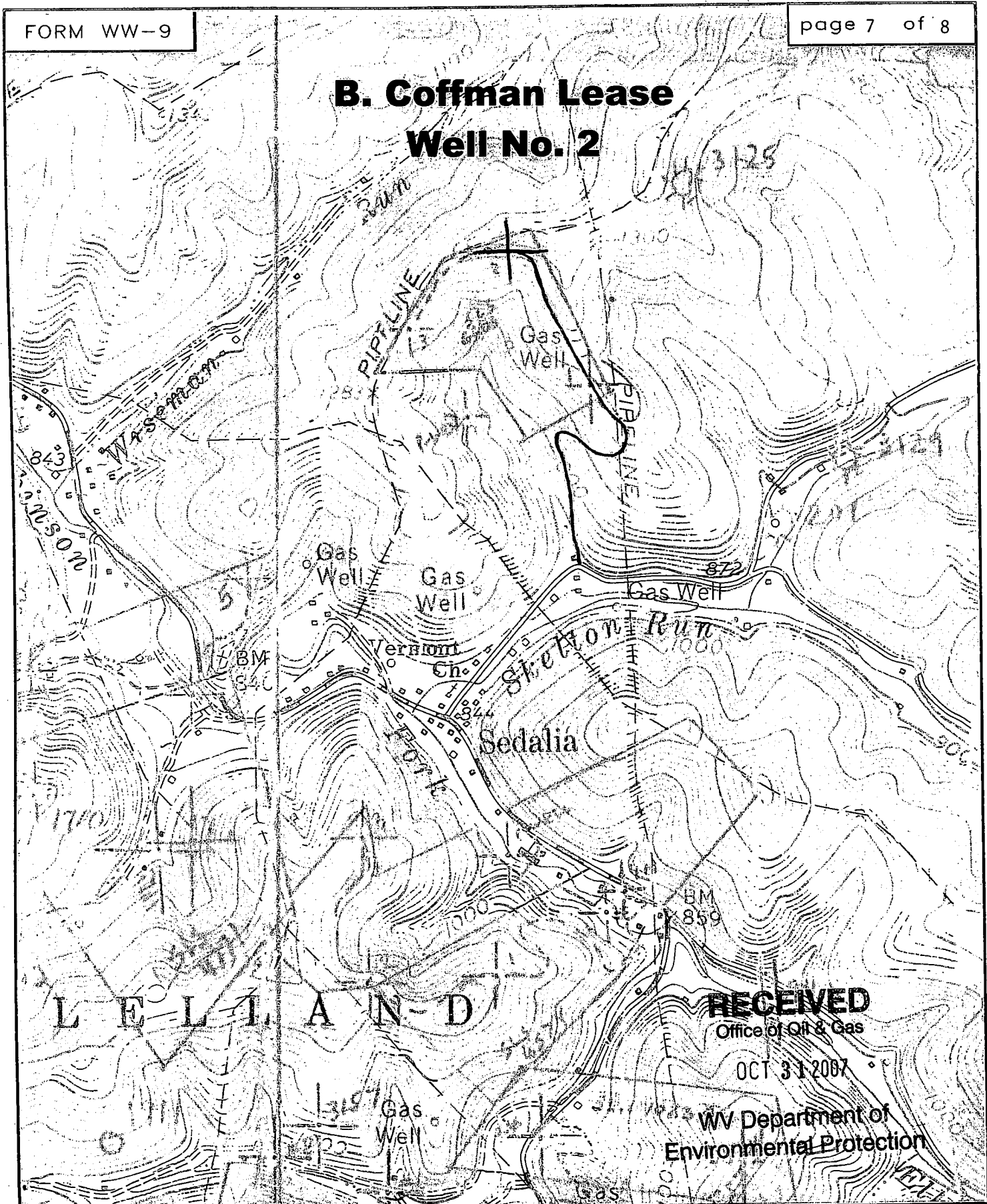
P.O. BOX 150, GLENVILLE, WV 26351

017-05535

FORM WW-9

page 7 of 8

B. Coffman Lease Well No. 2



RECEIVED
Office of Oil & Gas

OCT 31 2007

WV Department of
Environmental Protection

SLS

SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

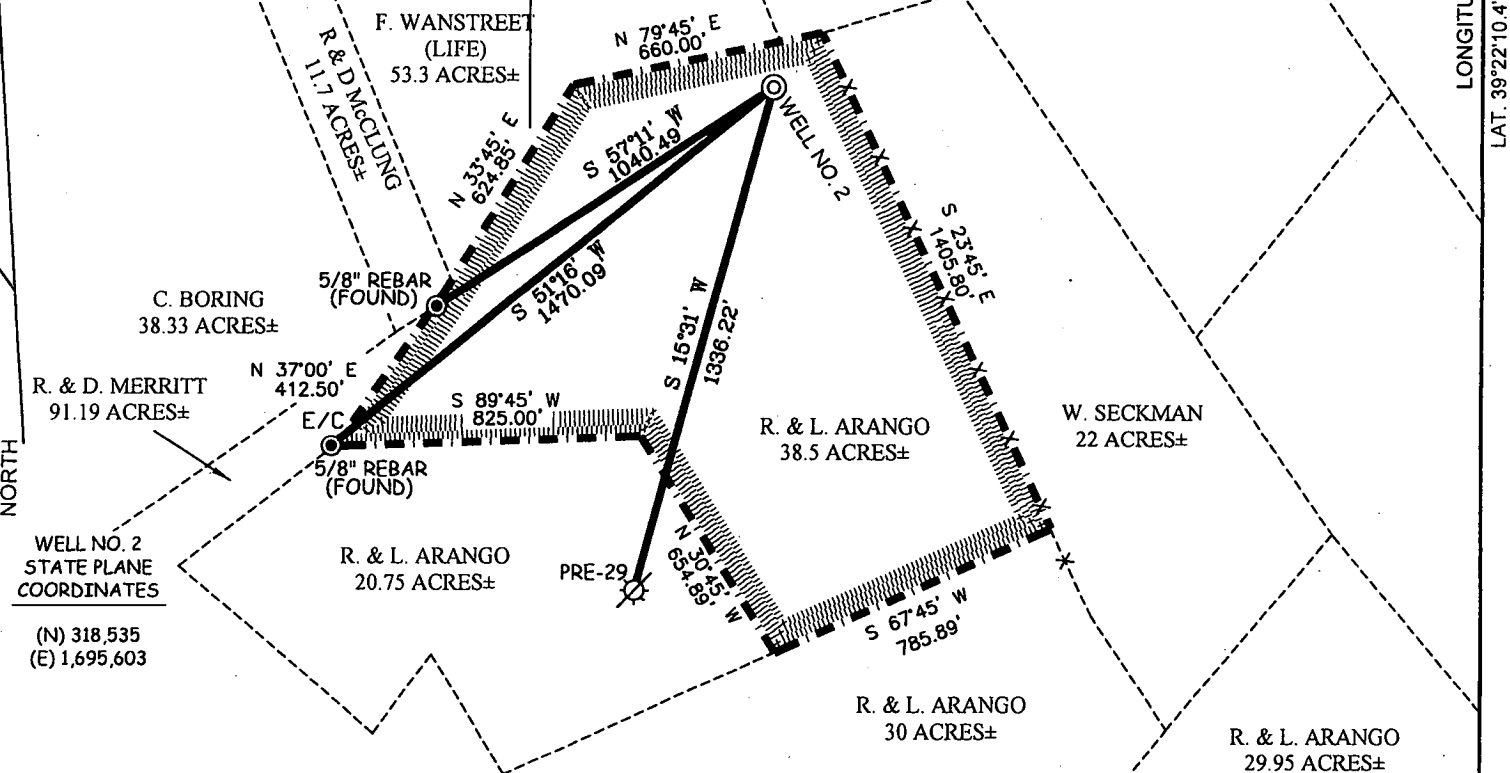
TOPO SECTION OF SALEM 7.5'

FILE NO. 6606 DATE 10/18/07 SCALE 1"=1000'

B. COFFMAN LEASE

38.5 ACRES±

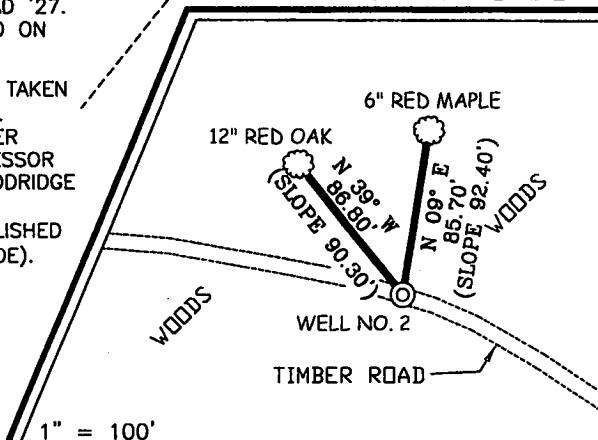
WELL NO. 2



NOTES ON SURVEY

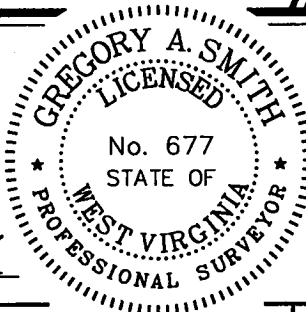
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 10-11-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 45 PAGE 11.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 16, 20 07

OPERATORS WELL NO. B. COFFMAN #2

API WELL NO. 47 - 017 - 05535
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY

1 / 200

FILE NO. 6606P2(248-18)

SCALE 1" = 500'

PROVEN SOURCE OF ELEVATION

DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS X LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION X STORAGE DEEP SHALLOW X

LOCATION: ELEVATION 1,288' WATERSHED SKELTON RUN

DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER RICHARD & LAUREN ARANGO ACREAGE 38.5±

ROYALTY OWNER ORA COFFMAN ETAL LEASE ACREAGE 38.5±

PROPOSED WORK: LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION GORDON

ESTIMATED DEPTH 3,000'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

ELLENBORO, WV 26346

COUNTY NAME

PERMIT

alem

Operator: HALL DRILLING, LLC
API: 1705535
WELL No: B. COFFMAN 2
Reviewed by: Chris J Date: 11/7/07
Due Date: Waiver

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☒ Coal Owner / Lessee / Operator Waiver None Listed
- ☒ WW-2A-1 Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

Form WW-2A-1
(8/02)

Operator's Well Number B. Coffman No. 2

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Ora Coffman, et al	Bluestone Energy Partners	1/8 th	
Bluestone Energy Partners	Hall Drilling, LLC	W.I.	Book 219 Pg. 141

Well Operator:
By:
Its:

Hall Drilling
Mike Hall
Designated Agent

RECEIVED
Office of Oil & Gas
OCT 31 2007
WV Department of
Environmental Protection

PERMIT NO. _____

PERMIT TO ENTER UPON, UNDER, OVER OR ACROSS THE STATE ROADS OF THE STATE OF WEST VIRGINIA, AS PROVIDED FOR IN SECTION 6, ARTICLE 16, CHAPTER 17; SECTION 9, ARTICLE 16, CHAPTER 17; SECTION 8, ARTICLE 4, CHAPTER 17, WEST VIRGINIA CODE, 1931, AS AMENDED.

THIS PERMIT, Made this 18th day of October 20 07, between the WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, a statutory corporation hereinafter called DIVISION and Hall Drilling, LLC

Address: P.O. Box 249 Ellenboro, WV 26346 Phone No: 304-869-3405
hereinafter called APPLICANT.

WITNESSETH

In consideration of the hereinafter set out covenants and in accordance with Section 6, Article 16, Chapter 17; or Section 9, Article 16, Chapter 17; or Section 8, Article 4, Chapter 17, of the Official Code of West Virginia, 1931, as amended, and the rules and regulations promulgated thereunder, APPLICANT does hereby apply to enter

Route Type & No. Co. Rt. 16 DOH Project No. _____ (if applicable);
at 0.26 ± Miles West of Junction Co. Rt. 16/1 in McClellan District Mile Post _____
in Doddridge County, for the purposes hereinafter set forth and in accordance with the plans and specifications which are attached hereto and made a part hereof: to utilize and maintain an entrance for ingress and egress to the B. Coffman Lease Well No. 1-3, Oil & Gas Well Leasehold. Please see the attached SLS Detail Sketch.

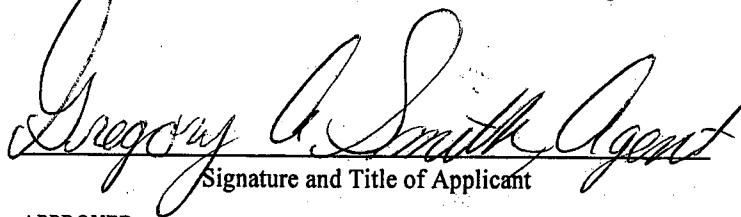
APPLICANT further agrees to accept the conditions hereinafter set forth:

1. APPLICANT shall deposit with DIVISION the sum of \$ _____ in the form of an official, certified or cashier's check, or executed bond with surety satisfactory to DIVISION to cover any damage and inspection costs DIVISION may sustain by reason of the granting of this permit, including any expense incurred in restoring said highway to its original condition or the proper repair of any and all damages that may result within one (1) year from the date of the completion of said work.
2. APPLICANT agrees to reimburse DIVISION for inspection costs as follows:
☒ A. For any inspection costs incurred under this permit.
☐ B. At \$ _____ per linear foot for _____ feet of water line installed under this permit
☐ C. At \$ _____ per linear foot for _____ feet of sewer line installed under this permit
3. APPLICANT shall notify DIVISION at least 48 hours in advance of the date the work will begin. Failure to comply will be cause for cancellation of this permit.
4. APPLICANT agrees to protect its employees, equipment and users of the highway at all times in accordance with the current Division of Highways manual "Traffic Control For Street and Highway Construction and Maintenance Operations"
5. APPLICANT agrees to comply with all applicable state and federal laws in the performance of work under this permit.
6. Supplementary conditions cited on the reverse side of this permit are understood and agreed to be a part hereof.
7. The work authorized under this permit shall be completed on or before (Date): October 18, 2008

Applicant's signature on this permit affirms that all text herein is a verbatim reproduction of The West Virginia Division of Highways Encroachment Permit Form MM-109, revision date May 19, 2005. All attachments are inclusive to this permit.

RECOMMENDED:

Title _____


Signature and Title of Applicant

BOND REQUIREMENT:

APPROVED _____

BOND NO. _____ DATE _____

Attached ☐ On File ☒

INSPECTION: Owner/Consultant ☐

Title _____

Full Time ☐ Part Time ☐

West Virginia Division of Highways

Periodic ☐ Reimbursable ☐ No Cost ☐

AUTHORIZATION NO: _____

PERMIT NO: _____

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<input checked="" type="checkbox"/>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
<input type="checkbox"/>	Well operator’s private laboratory	
	Well Operator	<u>Hall Drilling</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR’S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

RECEIVED
Office of Oil & Gas

OCT 31 2007

B. Coffman No. 2

WV Department of
Environmental Protection

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling, LLC
Operator well number B. Coffman 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1. through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

James H. Hanger Date 10/17/07
Richard Hanger Signature

FOR EXECUTION BY A CORPORATION, ETC.

Company Name RECEIVED
By Office of Oil & Gas
Its OCT 31 2007 Date

Signature

WV Department of
Environmental Protection

CHAPTER 17 WEST VIRGINIA CODE, 1931

§17-4-8. Use of roadbed by railroad, telephone company, etc.

No railroad or electric or other railway shall be constructed upon the roadbed of any state road, except to cross the same, nor shall any person, firm or corporation enter upon or construct any works in or upon such road, or lay or maintain thereon or thereunder any drainage, sewer or water pipes, gas pipes, electric conduits or other pipes, nor shall any telephone, telegraph or electric line or power pole, or any other structure whatsoever, be erected upon, in or over any portion of a state road, except under such restrictions, conditions and regulations as may be prescribed by the state road commissioner. Whenever any railroad or electric or other railway, heretofore or hereafter constructed, shall cross any state road, it shall be required to keep its own roadbed, and the bed of the road or highway at such crossing, in proper repair, or else to construct and maintain an overhead or undergrade crossing, subject to the approval of the state road commissioner; and the tracks of such railroad or railway at grade crossings shall be so constructed as to give a safe and easy approach to and across the same, and when the construction of such approaches is made necessary by a change in the railroad grade at the grade crossing, the cost shall be upon the railway company.

§17-16-6. Permit by commission or county court for openings in or structures on public roads; franchises and easements of oil, etc., transportation companies.

No opening shall be made in any state or county-district road or highway, nor shall any structure be placed therein or thereover, nor shall any structure, which has been so placed, be changed or removed, except in accordance with a permit from the state road commission or county court, as the case may be. No road or highway shall be dug up for laying or placing pipes, sewers, poles or wires, or for other purposes, and no trees shall be planted or removed or obstructions placed thereon, without the written permit of the commission or county court, or its duly authorized agent, and then only in accordance with the regulations of the commission or court. The work shall be done under the supervision and to the satisfaction of the commission or court; and the entire expense of replacing the highway in as good condition as before shall be paid by the persons to whom the permit was given, or by whom the work was done: **Provided, however,** That nothing herein contained shall be so construed as to prevent any oil or gas company or person having a proper permit or franchise from transporting oil or gasoline along any of the public highways of this State, nor to give such company a franchise without paying to the landowners through whose lands such road passes the usual and customary compensation paid or to be paid to the landowners for such right of way. Any grant or franchise when made shall be construed to give to such company or person only the right to use the easement in such public road.

A violation of any provision of this section shall be a misdemeanor, and the person or corporation violating the same shall, upon, conviction thereof, be fined not less than twenty-five nor more than one hundred dollars for each offense.

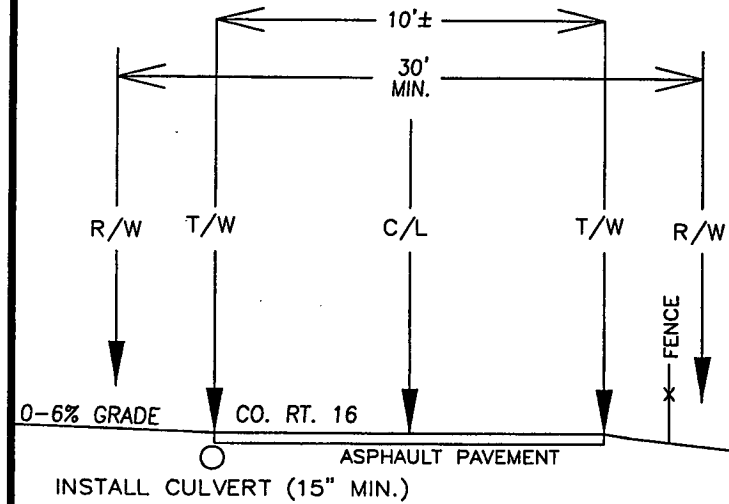
§17-16-9. Private driveways or approaches to roads; obstruction of ditches.

The owner or tenant of land fronting on any state road shall construct and keep in repair all approaches or driveways to and from the same, under the direction of the state road commission, and, likewise, the owner or tenant of land fronting on any county-district road shall construct and keep in repair approaches or driveways to and from the same, under the direction of the county road engineer, and it shall be unlawful for such owner or tenant to fill up any ditch, or place any material of any kind or character in any ditch, so as in any manner to obstruct or interfere with the purposes for which it was made.

SUPPLEMENTARY CONDITIONS

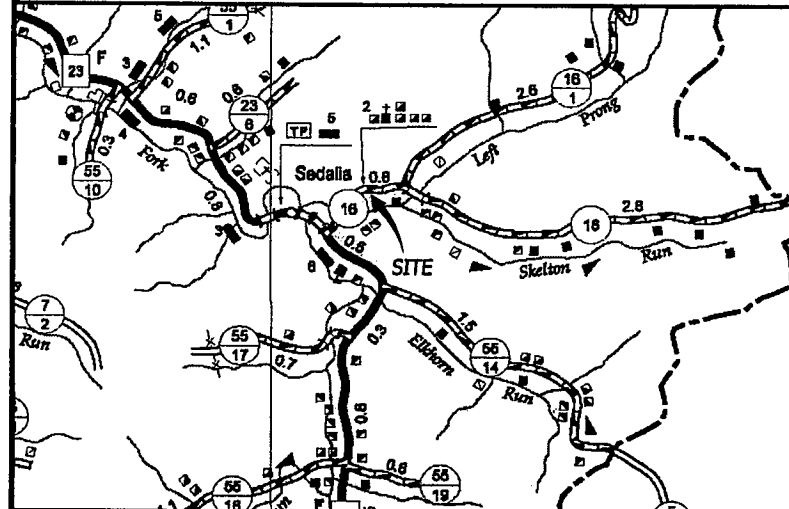
1. The person, firm or corporation to whom a permit is issued agrees to hold the State of West Virginia and DIVISION harmless on account of any damages to persons or property which may arise during the process of the work authorized by this permit or by reason thereof.
2. Applications for permission to perform work within highway rights of way shall be made on DIVISION'S standard permit form and shall be signed by the authorized representative of the person, firm or corporation applying.
3. The APPLICANT shall give detailed information concerning the work to be performed and the application must include a sketch sufficient to show the nature of the work performed.
4. APPLICANT, his agents, successor, heirs or assigns, contractors or any other person, firm or corporation working under APPLICANT'S real or apparent authority, shall perform the work in a manner satisfactory to DIVISION. Damage to the road resulting at any time from work authorized under this permit shall be repaired by APPLICANT. Unsatisfactory repairs may be corrected by DIVISION or its authorized agent and the cost thereof paid by APPLICANT.
5. DIVISION assumes no liability for damage to the proposed work by reason of construction or maintenance work on the road.
6. This permit is granted subject to removal of the authorized installation by APPLICANT at no cost to DIVISION when required for improvement of the road, and subject to all regulations now or hereafter adopted by DIVISION.
7. Utility installation shall be in accordance with the current manual, "Accommodation of Utilities on Highway Right of Way"
8. Driveways shall be in accordance with the current manual, "Rules and Regulations for Constructing Driveways on State Highway Rights-of-Way."
9. DIVISION reserves the right to cancel this permit at any time, should APPLICANT fail to comply with the terms and conditions under which it is granted.
10. This permit is granted only insofar as the DIVISION has a right to do so.

APPROACH PROFILE

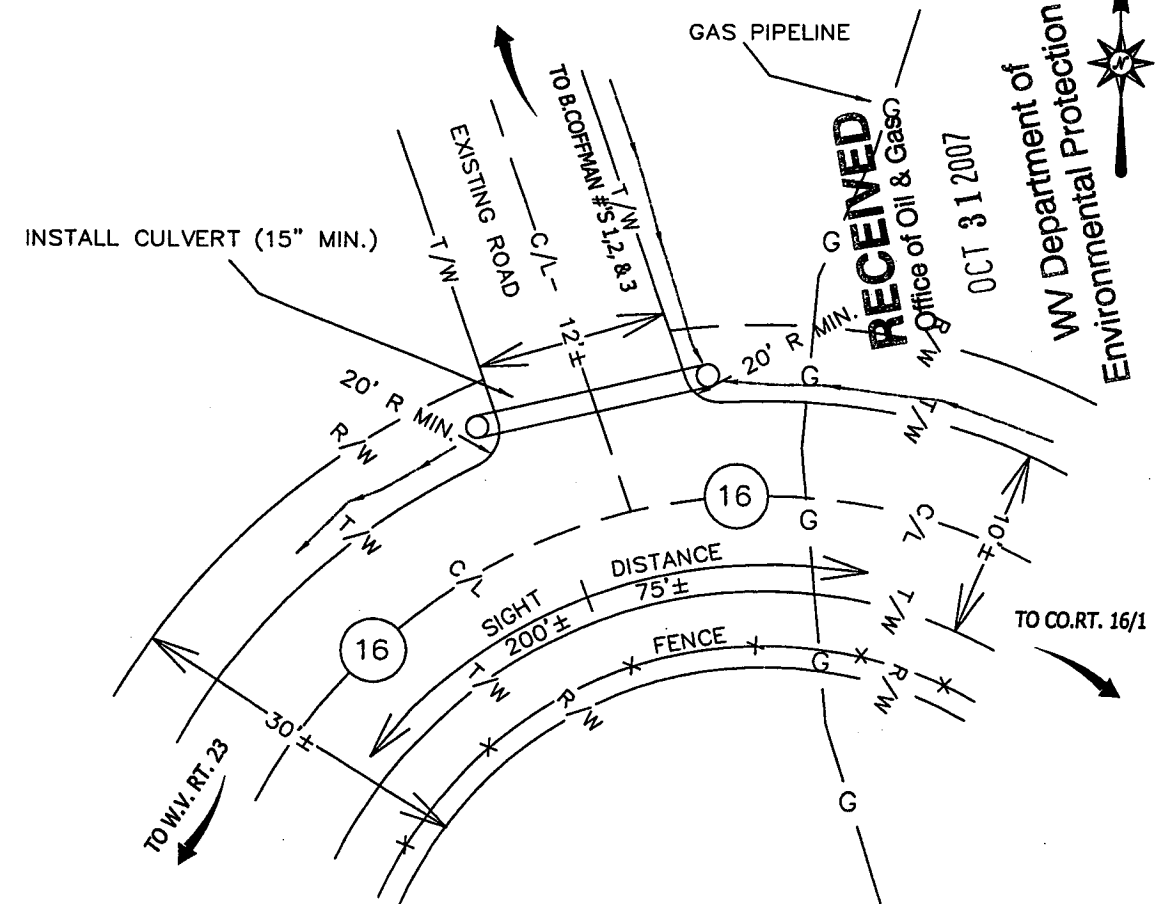


VICINITY MAP

SCALE: 1-INCH = 1-MILE



PLAN VIEW



NOTES

ALL SPECIFICATIONS AS SET FORTH IN THE MANUAL ON RULES AND REGULATIONS FOR CONSTRUCTING DRIVEWAYS ON STATE HIGHWAY RIGHTS OF WAY WILL BE OBSERVED.
DRAWINGS NOT TO SCALE.

ACCESS ROAD WAS FLAGGED IN ORANGE MARKING RIBBON WITH WELL AND COMPANY NAME IDENTIFIED.
APPLY 100 FEET OF 8-INCH COMPACTED STONE ON AREA.

LEGEND

CENTERLINE OF ROAD C/L
RIGHT-OF-WAY R/W
TRAVELED WAY T/W
DRAIN/STREAM

PREPARED FOR:

HALL DRILLING, LLC
P.O. BOX 249
ELLENBORO, WV 26346

CADD FILE

6608DAPT

C.P.M. 10/17/07

FIELD REVIEW

C.P.M.

WELL NUMBER

B. COFFMAN 1,2, & 3

DATE

10/17/07

PLAT OF PROPOSED ROAD APPROACH.

LOCATED ON CO. RT. 16 AT .26± MILES WEST OF JUNCTION CO. RT. 16/1 IN McCLELLAN DISTRICT DODDRIDGE COUNTY, WEST VIRGINIA.

PREPARED BY

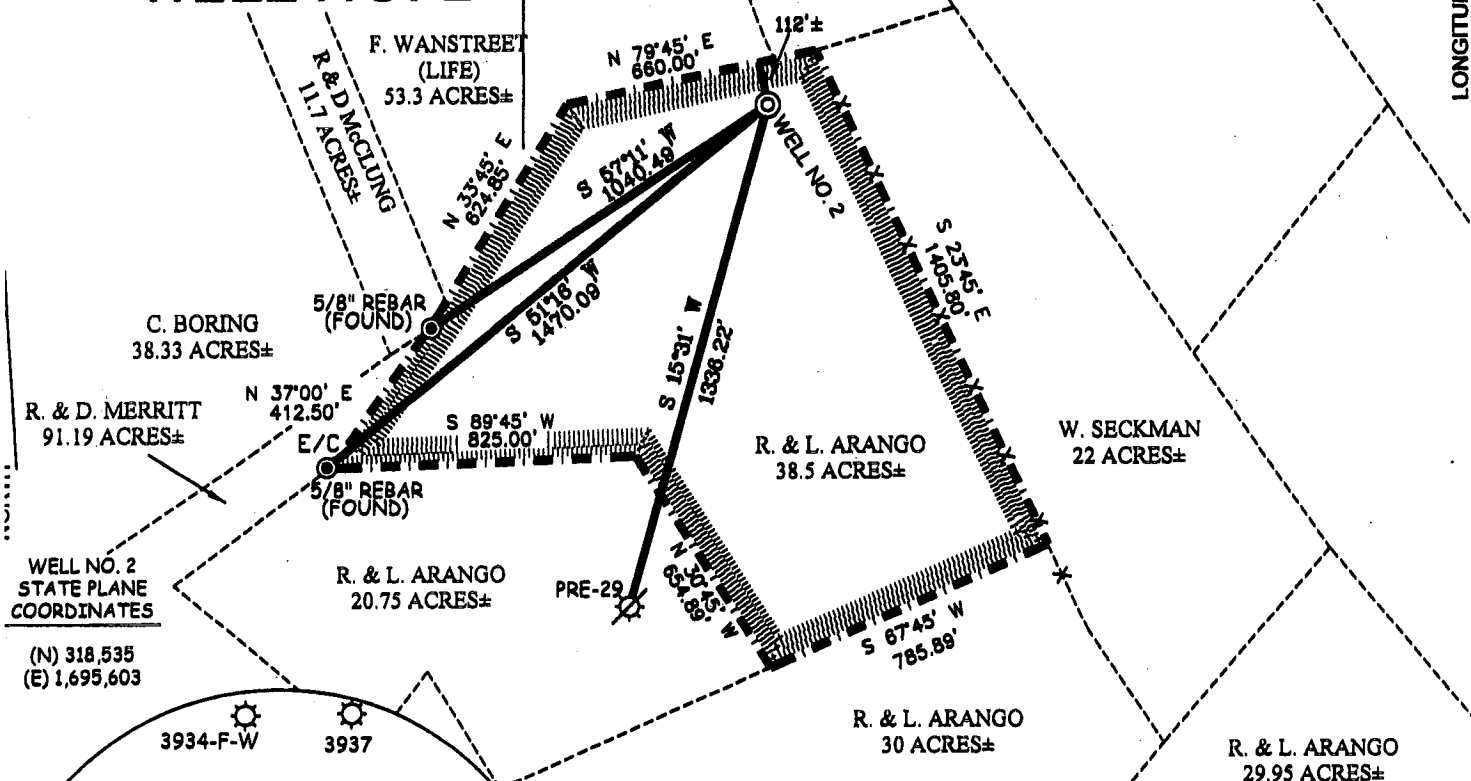


SMITH LAND SURVEYING, INC.
P.O. BOX 150 GLENVILLE, WV. 26351
PH: (304) 462-5634 FAX: (304) 462-5656 E-MAIL: sls@tol.net

B. COFFMAN LEASE

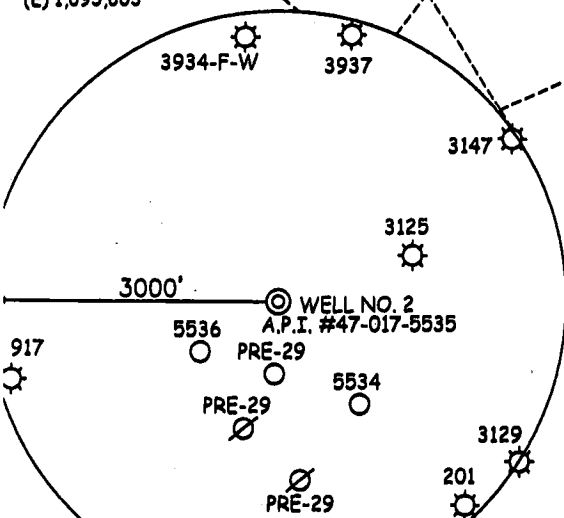
38.5 ACRES±

WELL NO. 2



WELL NO. 2
STATE PLANE
COORDINATES

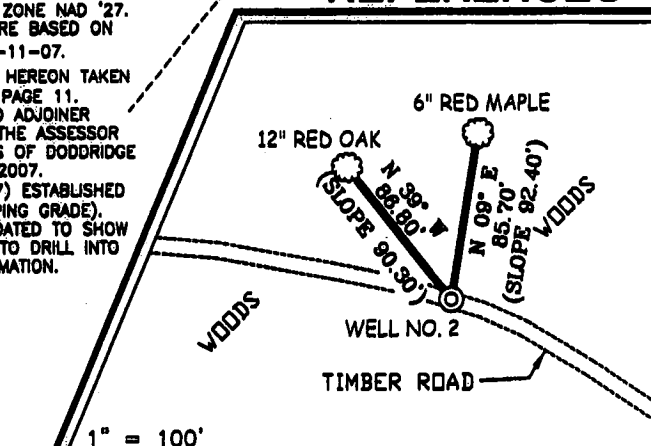
(N) 318,535
(E) 1,695,603



NOTES ON SURVEY

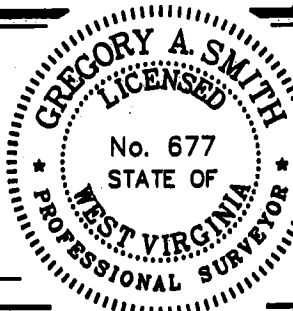
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 10-11-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 45 PAGE 11.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS (SUBMETER MAPPING GRADE).
6. THIS PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 377 *Gregory A. Smith*



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE OCTOBER 16 , 20 07
UPDATED MAY 20 , 20 08
OPERATORS WELL NO. B. COFFMAN #2
API WELL NO. 47 - 017 - 5535
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6606P2R(248-18)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☒ SHALLOW ☐

LOCATION: ELEVATION 1,288' WATERSHED SKELTON RUN
DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER RICHARD & LAUREN ARANGO ACREAGE 38.5±
ROYALTY OWNER ORA COFFMAN ETAL LEASE ACREAGE 38.5±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION Maccellus
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

COUNTY NAME
PERMIT

Form: WW - 2B

11-05500

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Newlon No. 1 3) Elevation: 1359'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 8100' Feet
7) Approximate fresh water strata depths: 75'
8) Approximate salt water depths: 900'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM
TYPE SPECIFICATIONS FOOTAGE INTERVALS CEMENT

	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"		22 #	250'	250'	CTS
Fresh Water	9 5/8"			1359'	1359'	CTS
Coal						
Intermediate	7"		16 #	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		11.60 #	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

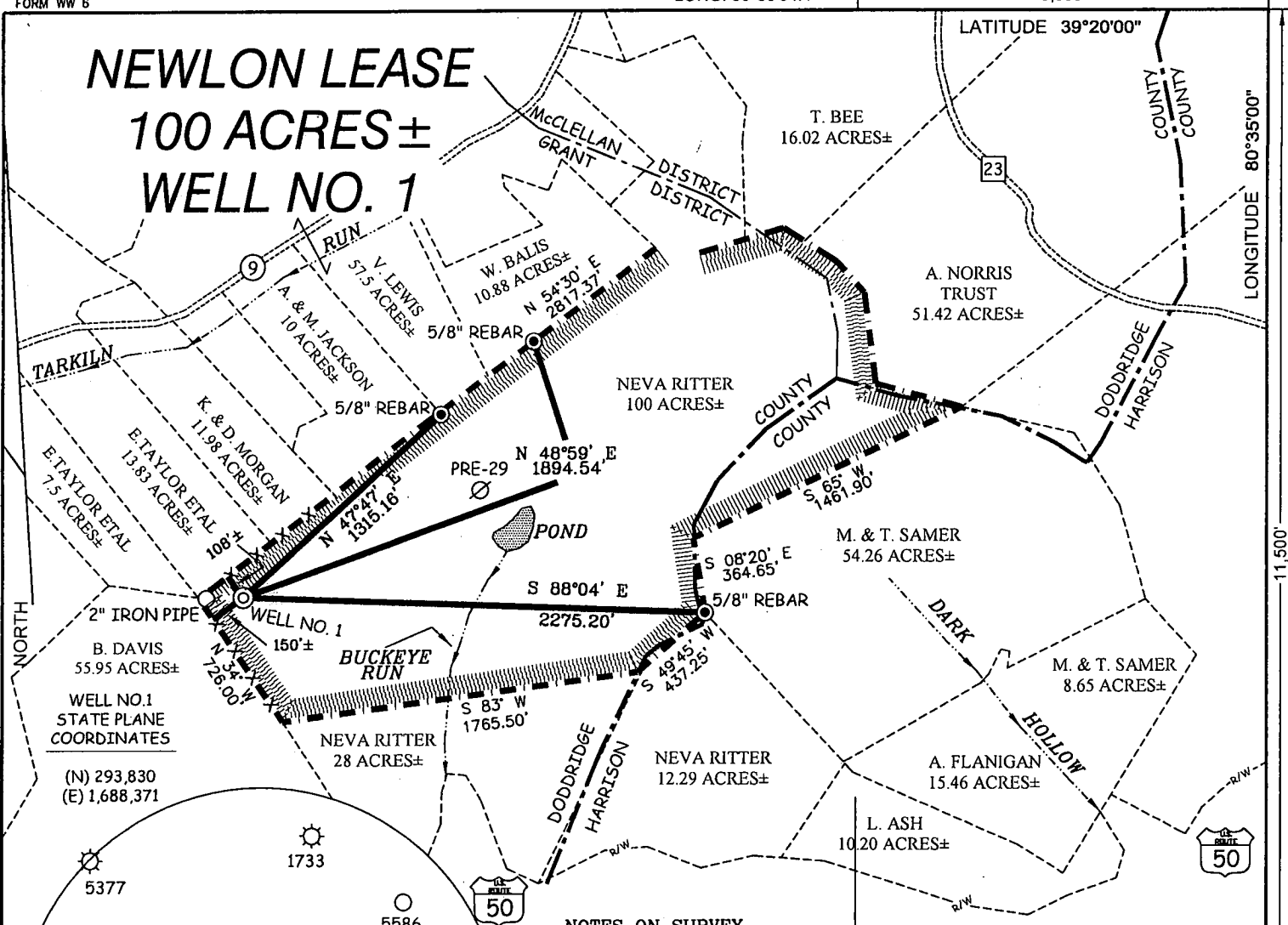
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Office of Oil & Gas

FEB 06 2008

WV Department of
Environmental Protection

WELL OPERATOR	<u>HALL DRILLING, LLC</u>	DESIGNATED AGENT	<u>MIKE HALL</u>
ADDRESS	<u>P.O. BOX 249</u>	ADDRESS	<u>P.O. BOX 249</u>
	<u>ELLENBORO, WV 26346</u>		<u>ELLENBORO, WV 26346</u>

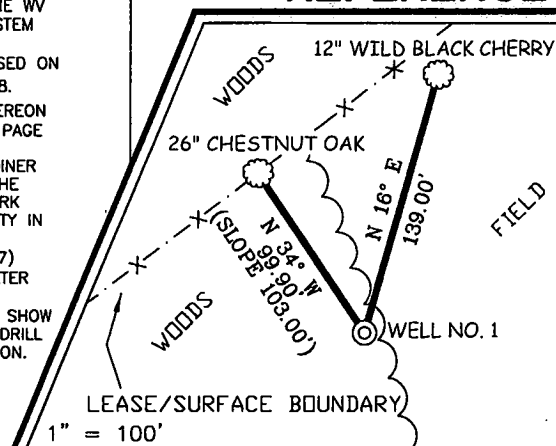
NEWLON LEASE 100 ACRES± WELL NO. 1



NOTES ON SURVEY

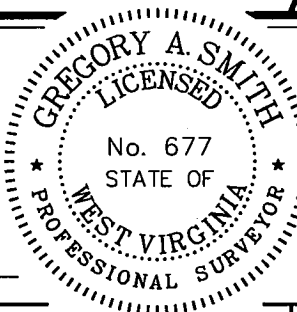
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-11-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 109 PAGE 170.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS (SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

UPDATED MAY 16, 20 08

OPERATORS WELL NO. NEWLON #1

API WELL NO. 47 - 017 - 5585
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6714P1R(252-42)
SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☒ SHALLOW ☐

LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NEVA RITTER ACREAGE 100±

ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±

PROPOSED WORK: LEASE NO.

DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

February 12, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705585, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: NEWLON, 1
Farm Name: RITTER, NEVA

API Well Number: 47-1705585

Permit Type: New Well

Date Issued: 02/12/2008

Promoting a healthy environment.

Form: WW - 2B

17-05585

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Newlon No. 1 3) Elevation: 1359'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 75'

8) Approximate salt water depths: 900'

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			250'	250'	C + S
Fresh Water	9 5/8"			1359'	1359'	CTS
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

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WV Department of
Environmental Protection

WW2-A
Revised 8/02

1) Date: January 15, 2008
2) Operator's Well Number: Newlon No. 1
3) API Well No.: 47 - 017 - 05585
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Neva Ritter</u>	Name _____
Address <u>151 Valley Street</u>	Address _____
<u>Salem, WV 26426</u>	
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>N/A</u>
	Address _____
(c) Name _____	Name _____
Address _____	Address _____
6) Inspector <u>Mike Underwood</u>	(c) Coal Lessee with Declaration
Address <u>Route 2 Box 135</u>	Name _____
<u>Salem, WV 26426</u>	Address _____
Telephone <u>304-552-3874</u>	

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

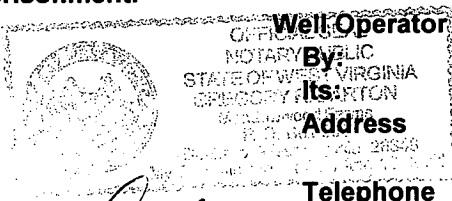
I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ___ on the above named parties by:

Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.



Subscribed and sworn before me this _____ day of _____

My Commission Expires 4/18/2011

Hall Drilling, LLC
Mike Hall
Designated Agent
P.O. Box 249
Ellenboro, WV 26346
304-869-3405

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Notary Public

Form WW-2A-1
(8/02)

Operator's Well Number Newlon No. 1

17-05585

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Virginia E. Moore, et al	Clarence W. Mutschelknaus	1/8 th	137/735
Clarence W. Mutschelknaus	Bluestone Energy Partners	W.I.	2B 220/478

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Office of Oil & Gas

FEB 06 2008

West Virginia Department of
Environmental Protection

Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<input checked="" type="checkbox"/>	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
<input type="checkbox"/>	Well operator's private laboratory	
	Well Operator	Hall Drilling, LLC
	Address	P.O. Box 249 Ellenboro, WV 26346
	Telephone	304-869-3405

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Office of Oil & Gas

FEB 06 2008

WV Department of
Environmental Protection

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Newlon No. 1

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

1236
650-2

17-05585



SMITH LAND SURVEYING, INC.

ENVIRONMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling
LEASE NAME AND NUMBER: Newlon 1

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Neva Ritter
Address: 151 Valley St. Salem, WV 25276 Letter/Notice Date: 1/23/08
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

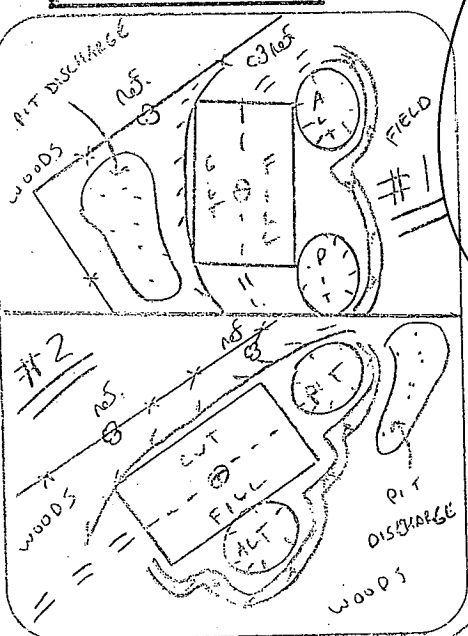
RECEIVED
Office of Oil & Gas
FEB 06 2008

17-05585

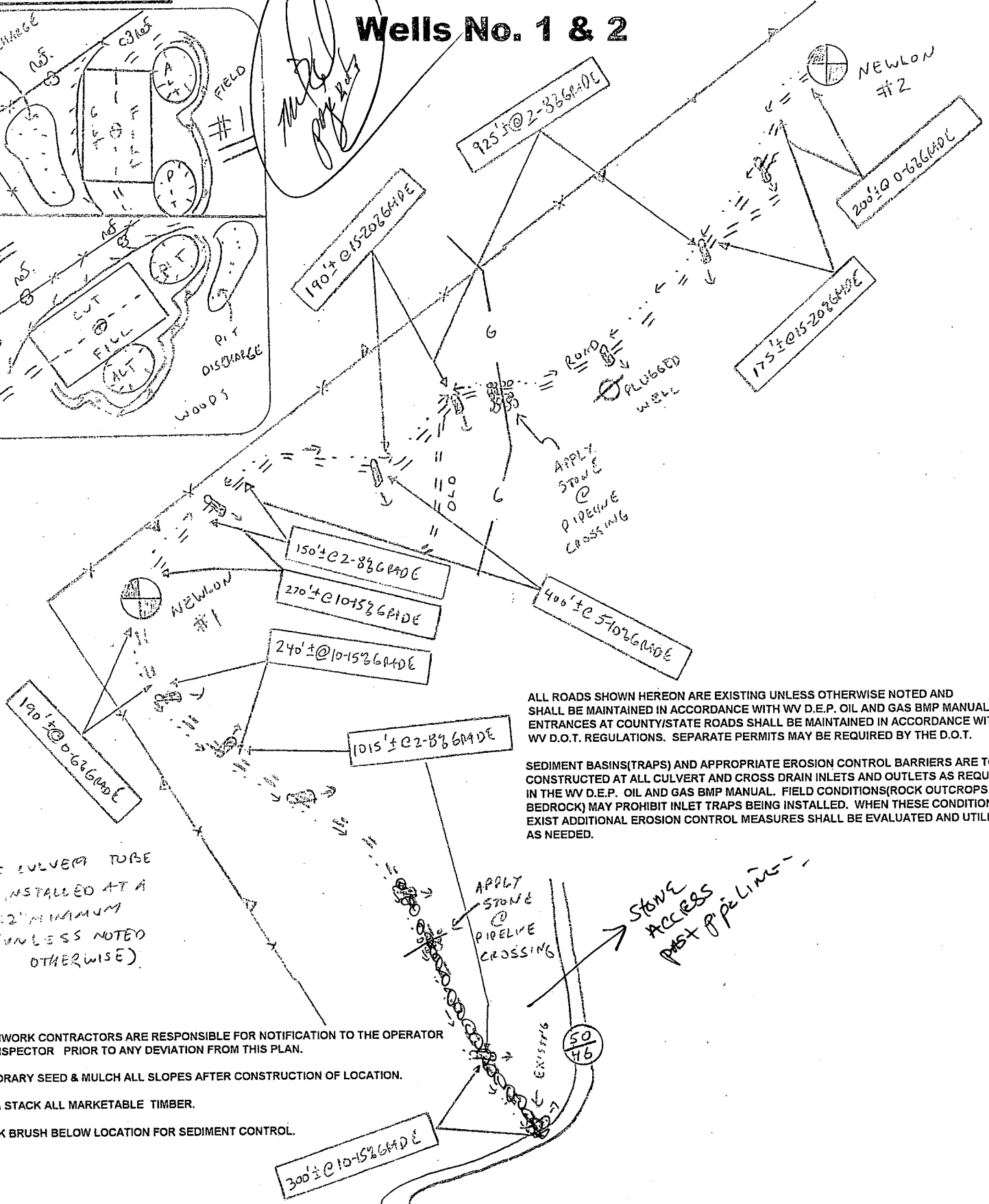
Form WW-9

Newlon Lease Wells No. 1 & 2

page 5 of 7



Handwritten signature and date: 1/14/09



ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

⊗ = CULVERT TUBE
⊗ INSTALLED AT A
12" MINIMUM
(UNLESS NOTED
OTHERWISE)

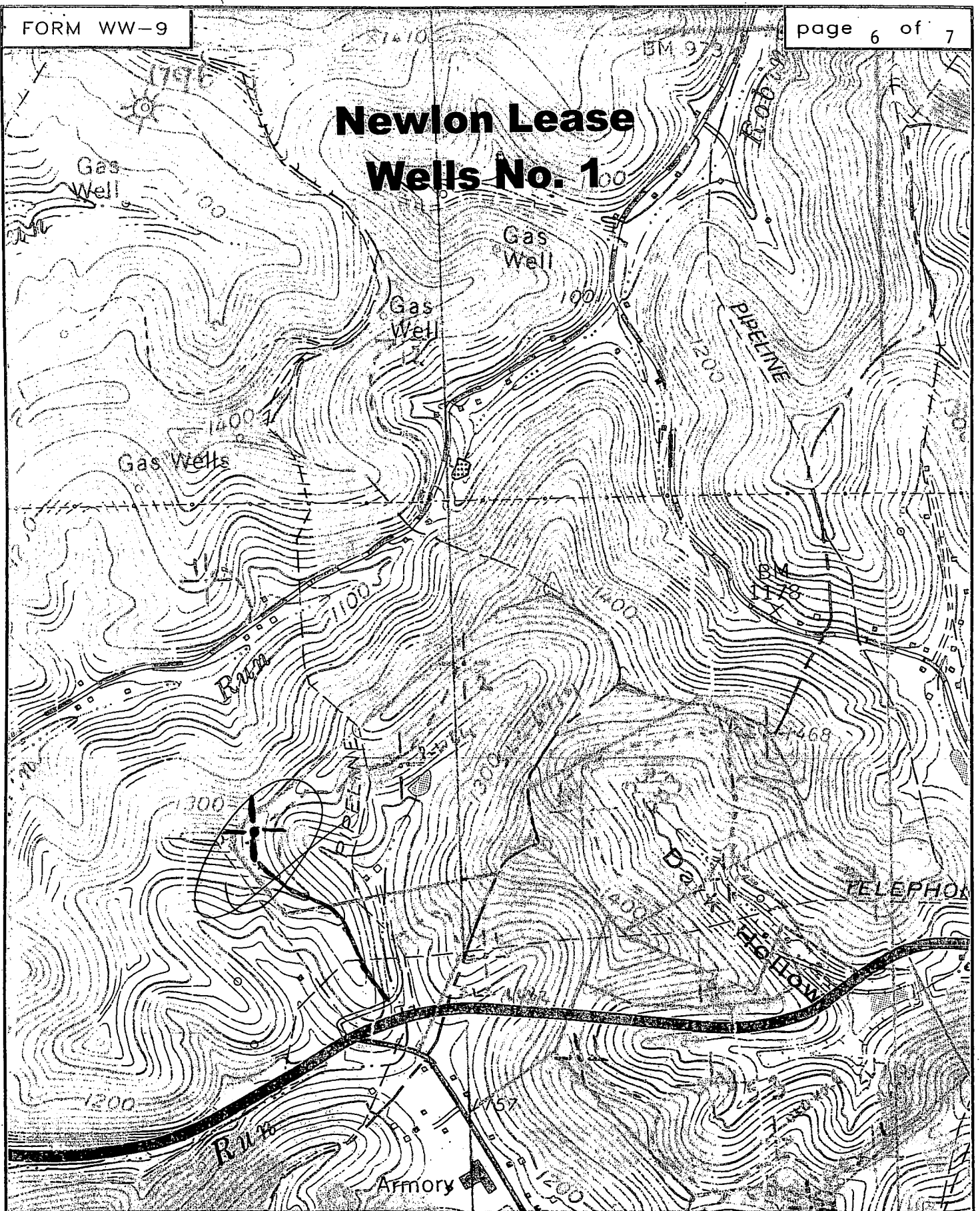
EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

Newlon Lease Wells No. 100


SLS

 SMITH LAND SURVEYING
 P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SALEM 7.5'

FILE NO. 6714 DATE 1/14/08 SCALE 1"=1000'

TYPE: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> INJECTION <input type="checkbox"/> DISPOSAL <input type="checkbox"/> "GAS" PRODUCTION <input checked="" type="checkbox"/> STORAGE <input type="checkbox"/> DEEP <input type="checkbox"/> SHALLOW <input checked="" type="checkbox"/>		COUNTY NAME
LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN		
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'		
SURFACE OWNER NEVA RITTER ACREAGE 100±		
ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±		PERMIT
PROPOSED WORK: LEASE NO. _____		
DRILL <input checked="" type="checkbox"/> CONVERT <input type="checkbox"/> DRILL DEEPER <input type="checkbox"/> REDRILL <input type="checkbox"/> FRACTURE OR STIMULATE <input checked="" type="checkbox"/> PLUG OFF OLD FORMATION <input type="checkbox"/> PERFORATE NEW FORMATION <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CLEAN OUT AND REPLUG <input type="checkbox"/> OTHER <input type="checkbox"/>		
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS ESTIMATED DEPTH 7,800'		
WELL OPERATOR HALL DRILLING, LLC		DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249		
ELLENBORO, WV 26346		
ADDRESS P.O. BOX 249		ELLENBORO, WV 26346

17-05585

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Harrison

Operator

Hall Drilling, LLC

Operator well number

NEWLON No. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Dana Ritten
Signature

Office of Oil & Gas
Date: 12-7-07
FEB 06 2008

Company

Name

By

Its

Signature

Date

Date

WV Department of
Environmental Protection

17-05585

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

February 4, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well locations:

- * Newlon No. 1
- * Newlon No. 2

Also enclosed is check no 1236 in the amount of \$1,300.00 for the permit fees. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

Annalisa Dobbins

Annalisa Dobbins
Administrative Assistant

RECEIVED
Office of Oil & Gas

FEB 6 2008

WV DEP
Environmental

GRB:ad

Enclosures: Well packages for Newlon No. 1 and No. 2
Check No. 1236- \$1,300.00

Salem

Operator: HALL DRILLING, LLC
API: 1705585
WELL No: NEWLON, 1
Reviewed by: Ha Date: 2-11-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☐ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 017 - 05585
Operator's Well No. Newlon No. 1

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Buckeye Run Quadrangle Salem 7.5'

Elevation 1359' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

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Office of Oil & Gas

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

FEB 06 2008
WV Department
Environmental Protection

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

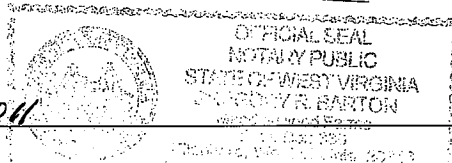
Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

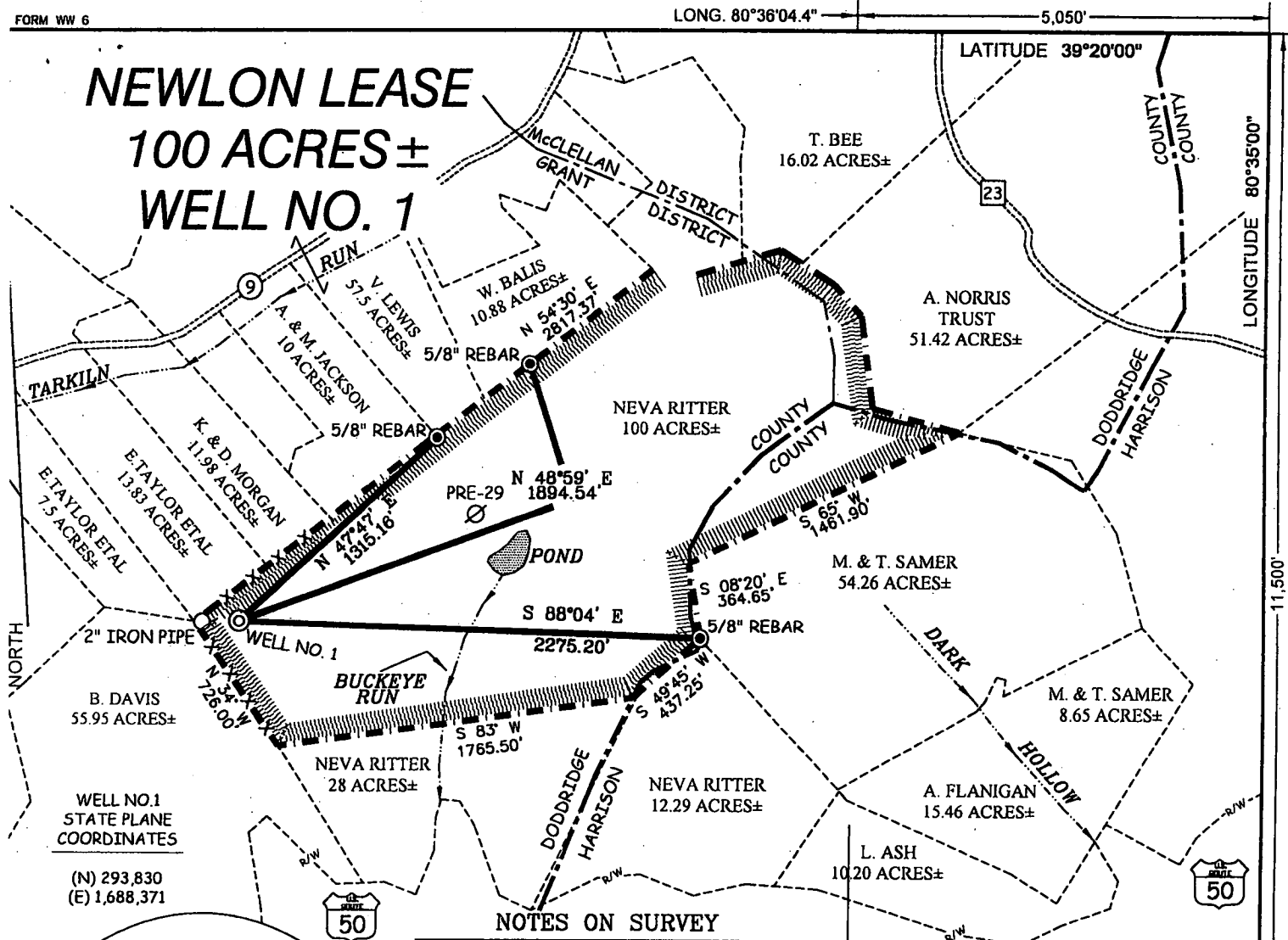
Subscribed and sworn before me this 15th day of Jan., 2008

Notary Public

My commission expires 4/18/2011



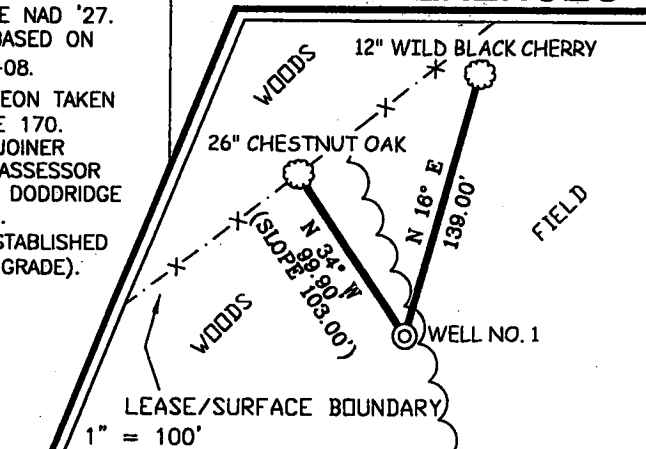
NEWLON LEASE 100 ACRES± WELL NO. 1



NOTES ON SURVEY

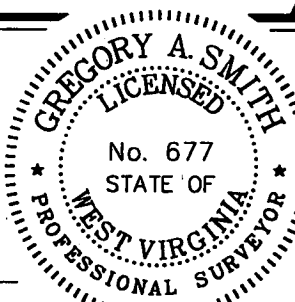
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-11-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 109 PAGE 170.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

**SLS**

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 *Gregory A. Smith*



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

OPERATORS WELL NO. NEWLON #1

API WELL NO. 47-017-05585
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6714P1(252-42)

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS ☒ LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION ☒ STORAGE DEEP SHALLOW ☒

LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NEVA RITTER ACREAGE 100±

ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±

PROPOSED WORK: LEASE NO.

DRILL ☒ CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346 ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Form: WW - 2B

17-05586

W
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC
Operator ID 17 County Doddridge District 3 Grant 596 Salem 7.5' Quadrangle

2) Operators Well Number: Newlon No. 2 3) Elevation: 1359'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 75'

8) Approximate salt water depths: 900'

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"		22 #	250'	250'	CTS
Fresh Water	9 5/8"			1359'	1359'	CTS
Coal						By Rule 35 CSR
Intermediate	7"		16 #	2900'	2900'	By Rule 35 CSR
Production	4 1/2"		11.60 #	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

RECEIVED

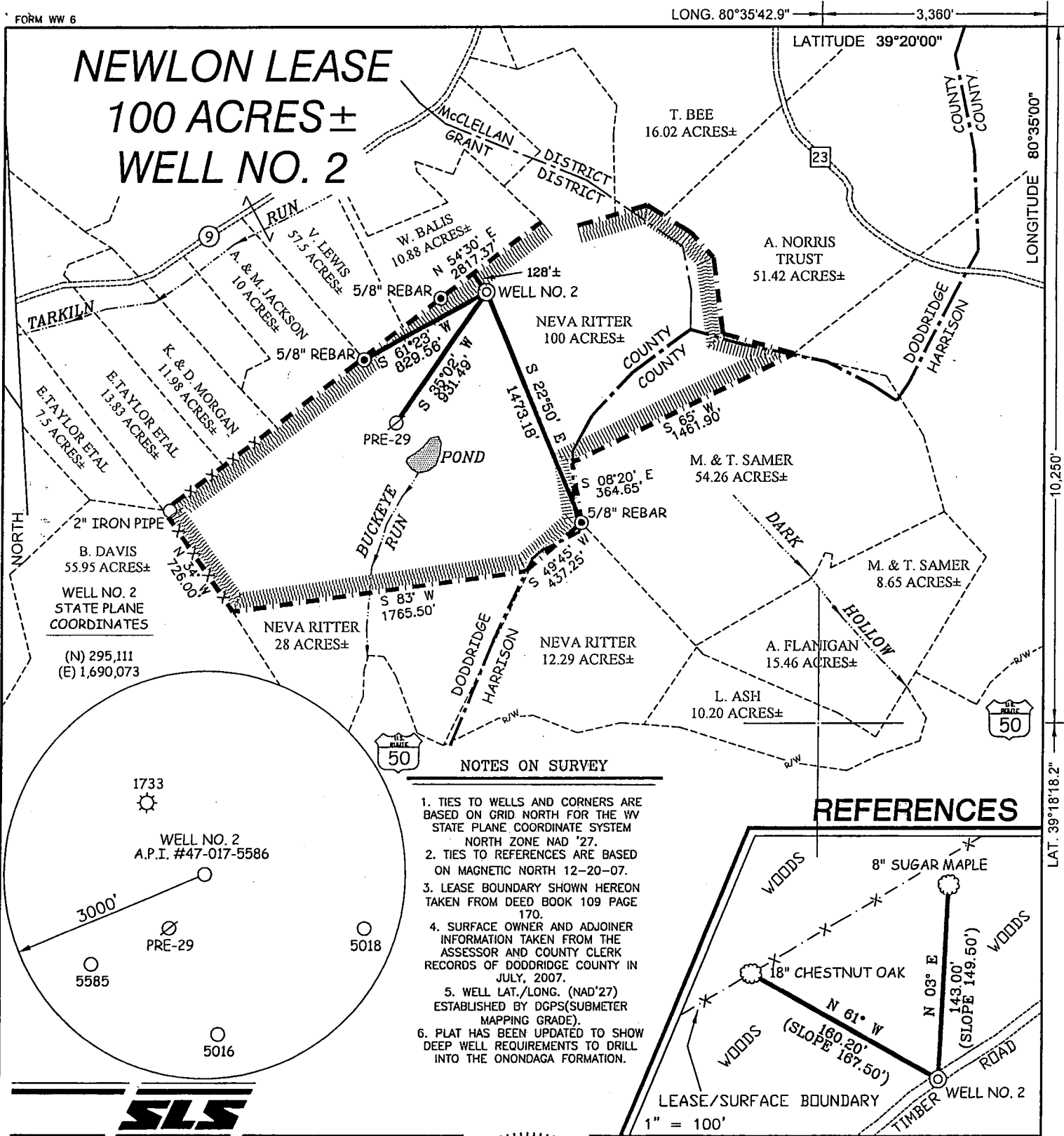
Office of Oil and Gas

FEB 06 2003

WV Department of Environmental Protection

12-36
650

NEWLON LEASE 100 ACRES± WELL NO. 2



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-20-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 109 PAGE 170.
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5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS (SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

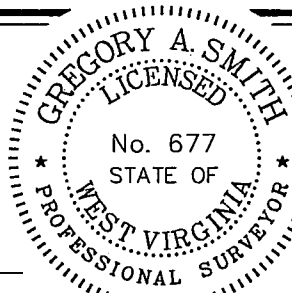
UPDATED MAY 16, 20 08

OPERATORS WELL NO. NEWLON #2

API
WELL NO. 47 - 017 - 5586
STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6714P2R(252-18)

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS ☒ LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION ☒ STORAGE DEEP ☒ SHALLOW

LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NEVA RITTER ACREAGE 100±

ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±

PROPOSED WORK: LEASE NO.

DRILL ☒ CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ADDRESS P.O. BOX 249

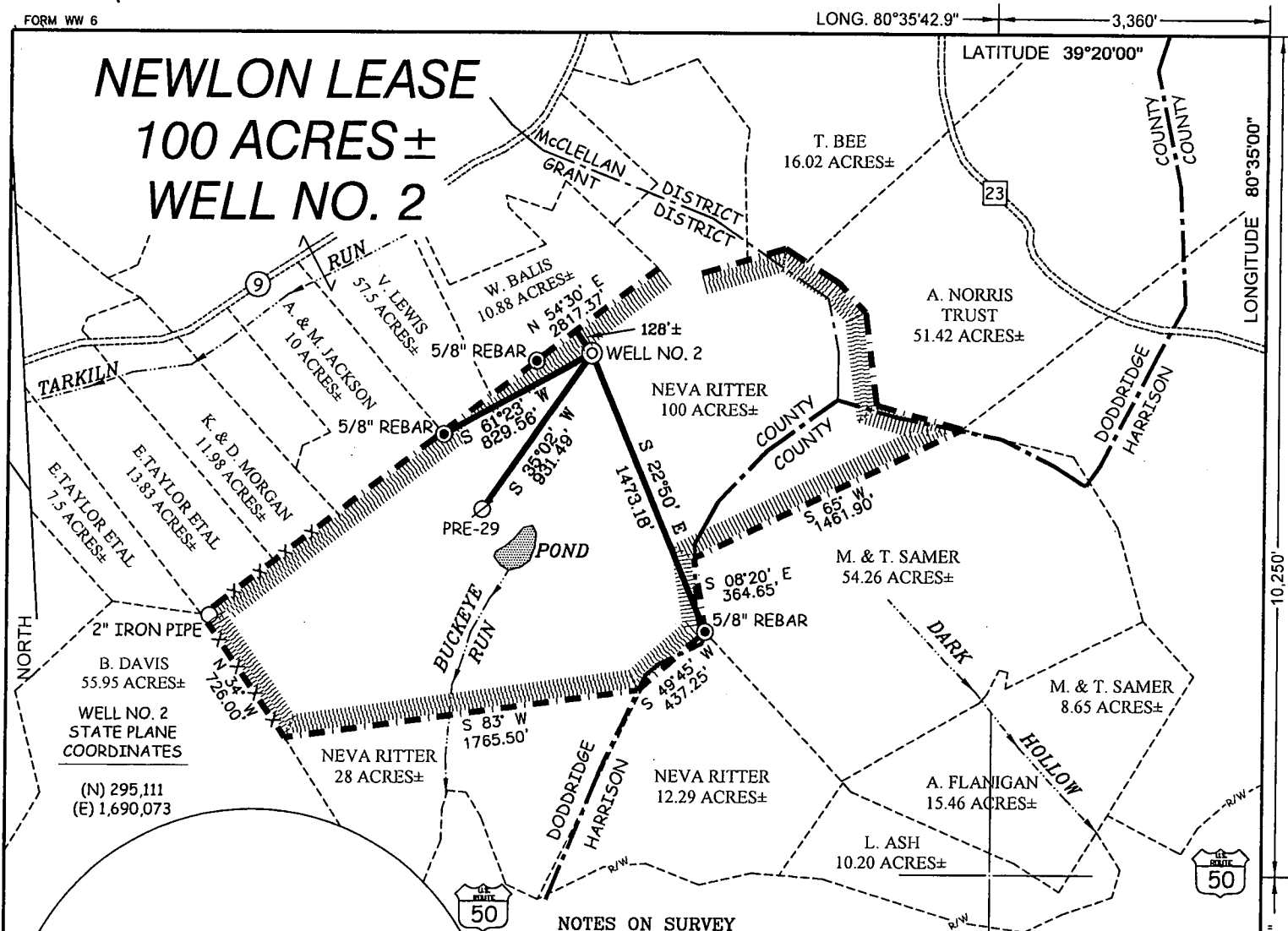
ELLENBORO, WV 26346

ELLENBORO, WV 26346

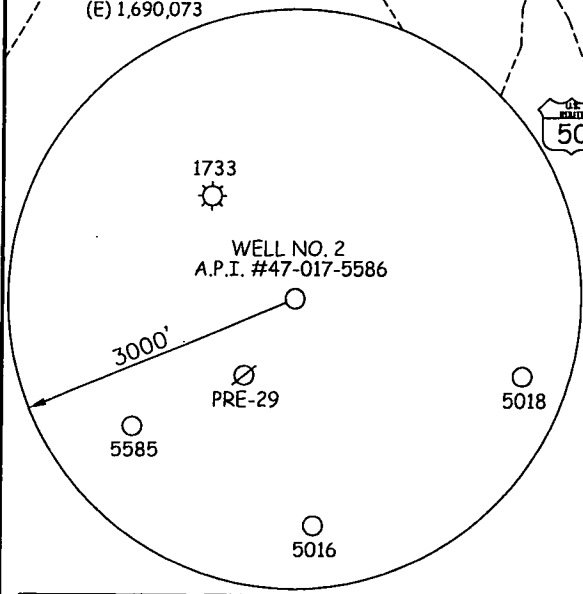
COUNTY NAME

PERMIT

NEWLON LEASE 100 ACRES± WELL NO. 2



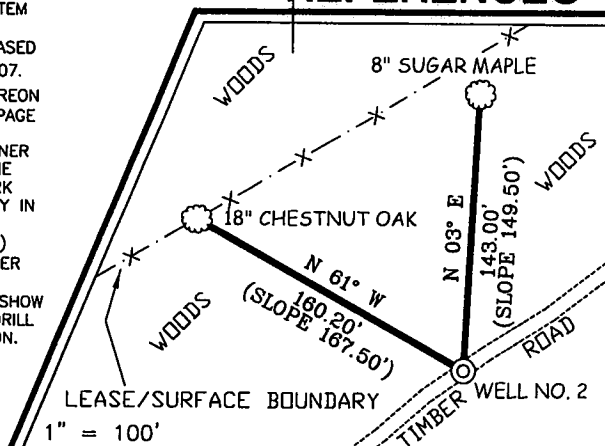
(N) 295,111
(E) 1,690,073



NOTES ON SURVEY

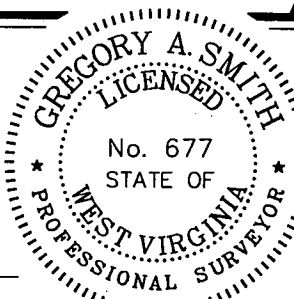
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REFERENCES



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P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

UPDATED MAY 16, 20 08

OPERATORS WELL NO. NEWLON #2

API
WELL
NO. 47 - 017 - 5586

STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6714P2R(252-18)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS ☒ LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION ☒ STORAGE DEEP ☒ SHALLOW

LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

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ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±

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PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

February 12, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705586, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: NEWLON 2
Farm Name: RITTER, NEVA
API Well Number: 47-1705586
Permit Type: New Well
Date Issued: 02/12/2008

Promoting a healthy environment.

Form: WW - 2B

17-05586

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Newlon No. 2 3) Elevation: 1359'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800 Feet
7) Approximate fresh water strata depths: 75'
8) Approximate salt water depths: 900'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			250'	250'	CTS
Fresh Water	9 5/8"			1359'	1359'	CTS
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

RECEIVED
OFFICE OF OIL AND GAS
FEB 06 2003
WV Department of Environmental Protection

1236
650

WW2-A
Revised 8/02

1) Date: January 15, 2008
2) Operator's Well Number: Newlon No. 2
3) API Well No.: 47 - 017 - 05586
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Neva Ritter
Address 151 Valley Street
Salem, WV 26426

(b) Name _____
Address _____

(c) Name _____
Address _____

6) Inspector Mike Underwood
Address Route 2 Box 135
Salem, WV 26426
Telephone 304-552-3874

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration
Name (N/A)
Address _____

Name _____
Address _____

(c) Coal Lessee with Declaration
Name _____
Address _____

RECEIVED
Office of Oil & Gas
FEB 06 2008
WV Department of
Environmental Protection

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ____ on the above named parties by:

- Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
 Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this 15 day of Jan, 2008

My Commission Expires 4/18/2011 Notary Public

Form WW-2A-1
(8/02)

17-05586

Operator's Well Number Newlon No. 2

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Virginia E. Moore, et al	Clarence W. Mutschelknaus	1/8 th	137/735
Clarence W. Mutschelknaus	Bluestone Energy Partners	W.I.	FB 220/478

RECEIVED
Office of Oil & Gas
FEB 06 2008
WV Department of
Environmental Protection

Well Operator: Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
	Well operator's private laboratory	<div>RECEIVED Office of Oil & Gas FEB 06 2008</div>
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Newlon No. 2

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

17-05586



SMITH LAND SURVEYING, INC.

ENVIRONMENTAL DIVISION

P.O. BOX 160, GLENVILLE, WV 26351

(304) 462-6634 • FAX 462-6656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling

LEASE NAME AND NUMBER: Newton 2

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Toby Bee

Address: Rt. 2 Box 348 Salem, WV 25276

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Charles Stover

Address: RR 5 Box 89

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Rodney Curry

Address: 8435 N. Stemmons Freeway Dallas, TX 75247

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Arlene Norris

Address: PO Box 223 St. Marys, GA 31558

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Wilma Balis

Address: Rt. 5 Box 80 Salem, WV 25276

Letter/Notice Date: 1/23/08

Comments: _____

Office of Environmental Protection

FEB 06 2008

17-05586

Owner/Occupant: Neva Ritter
Address: 151 Valley St. Salem, WV 25276 Letter/Notice Date: 1/23/08
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

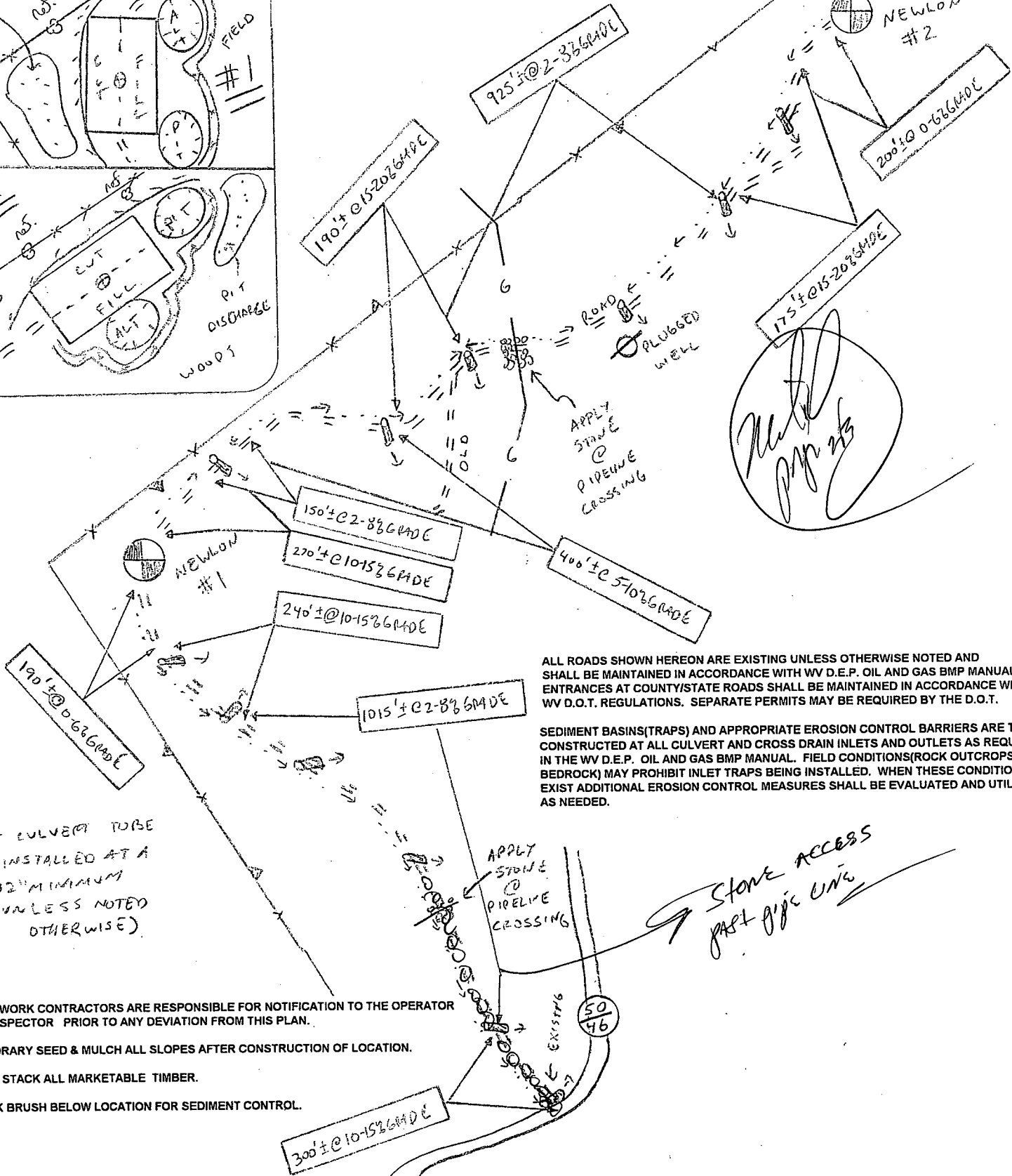
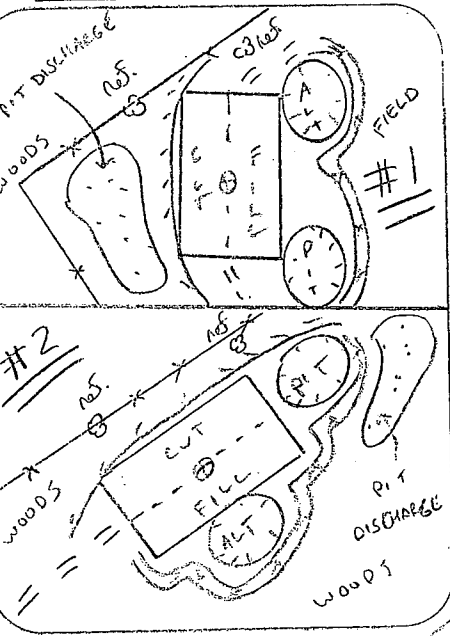
RECEIVED
Office of Oil & Gas

FEB 05 2008

Owner/Occupant: _____
Address: WV Department of Environmental Protection Letter/Notice Date: _____
Comments: _____

Owner/Occupant: _____
Address: _____ Letter/Notice Date: _____
Comments: _____

Newlon Lease
Wells No. 1 & 2



ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

D = CULVERT TUBE
↓ INSTALLED AT A
12" MINIMUM
(UNLESS NOTED
OTHERWISE)

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.
TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.
CUT & STACK ALL MARKETABLE TIMBER.
STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

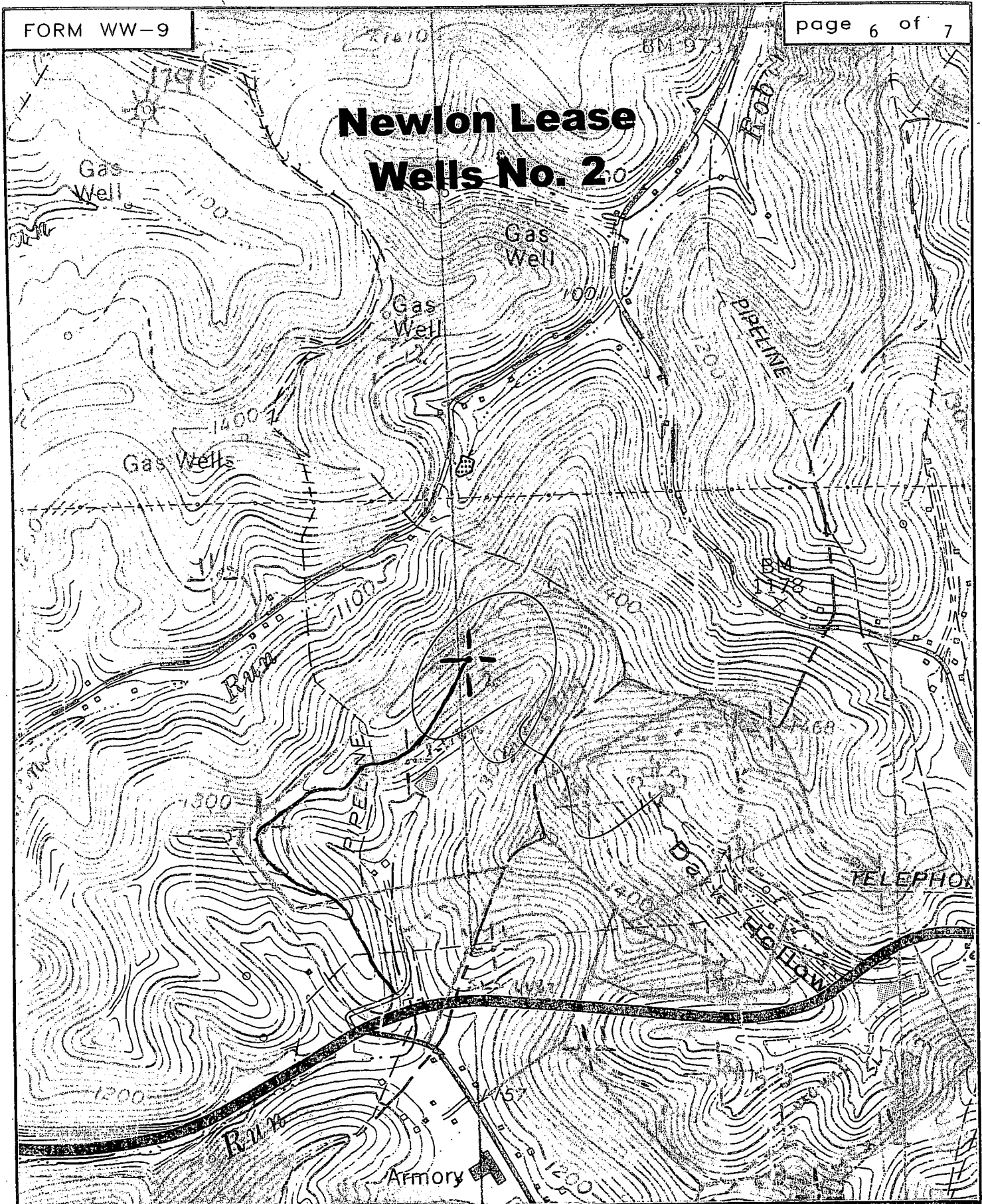
Stone Access
past pipe line

17-65586

FORM WW-9

page 6 of 7

Newlon Lease Wells No. 2

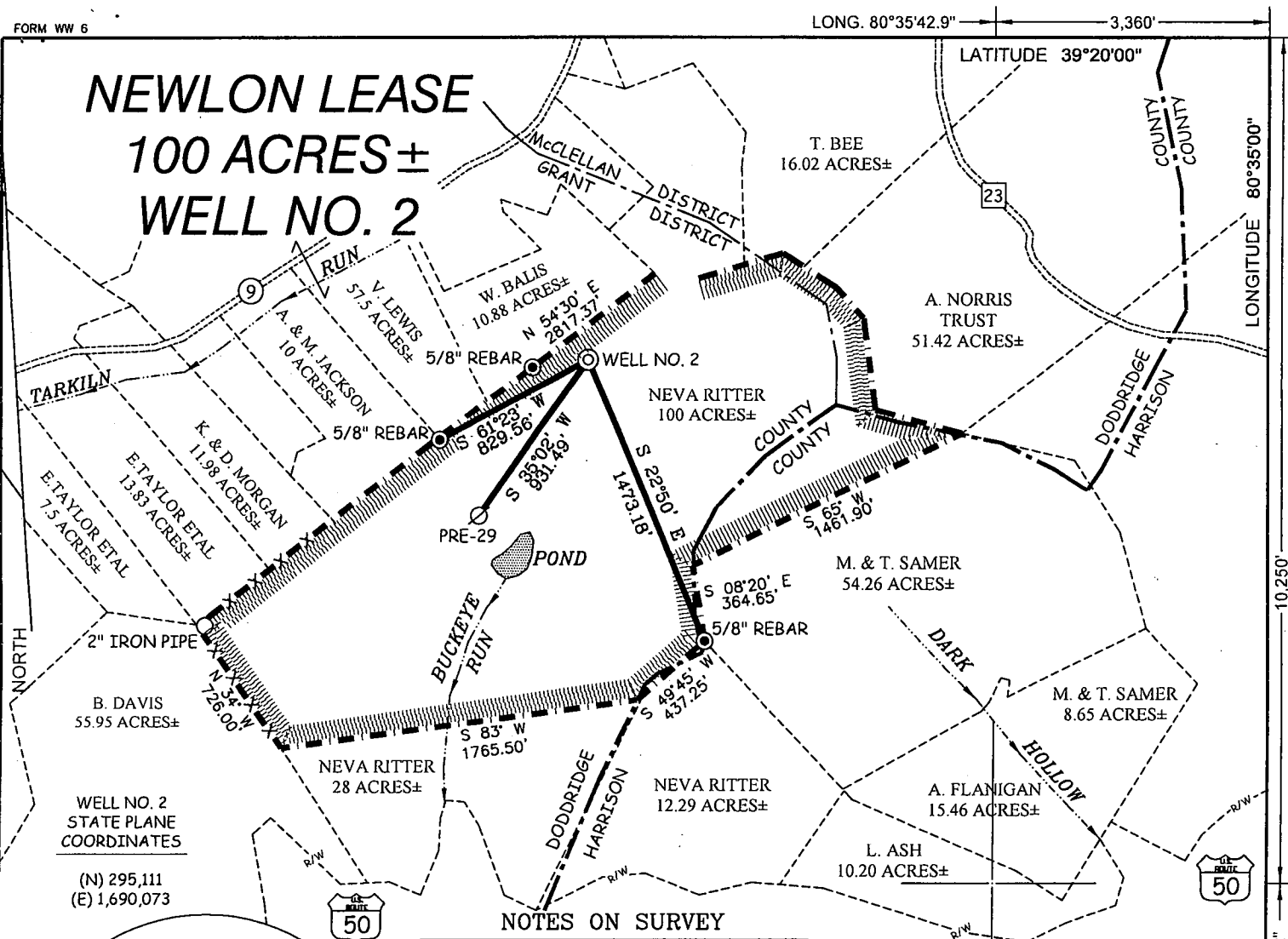


SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SALEM 7.5'

FILE NO. 6714 DATE 1/14/08 SCALE 1"=1000'

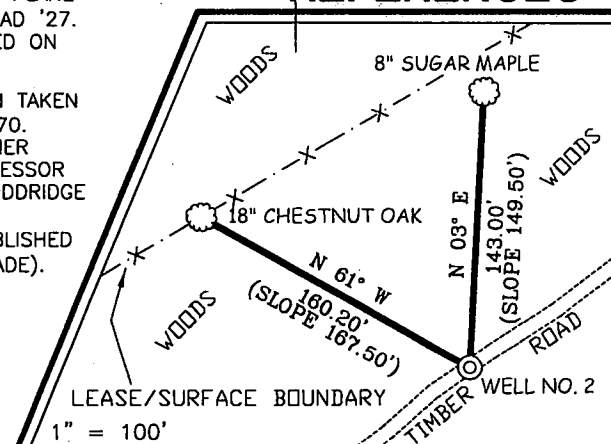
NEWLON LEASE 100 ACRES± WELL NO. 2



NOTES ON SURVEY

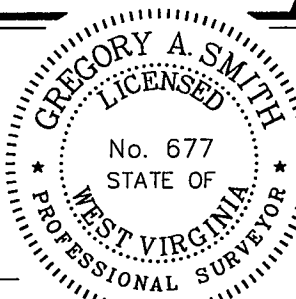
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-20-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 109 PAGE 170.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

OPERATORS WELL NO. NEWLON #2

API
WELL NO. 47 - 017 - 05586
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6714P2(252-18)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒
LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER NEVA RITTER ACREAGE 100±
ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±
PROPOSED WORK: LEASE NO.
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD
FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 017 - 05586
Operator's Well No. Newlon No. 2

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Buckeye Run Quadrangle Salem 7.5'

Elevation 1359' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

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Office of Oil & Gas
FEB 06 2008
WV Department of
Environmental Protection

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 15th day of Jan., 2008

Notary Public

My commission expires 4/18/2011

Salem

Operator: HALL DRILLING, LLC
API: 1705586
WELL No: NEWLON 2
Reviewed by: JA Date: 2-11-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

17-05586

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Harrison Operator Hall Drilling, LLC
Operator well number NEWLON No. 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

RECEIVED
Office of Oil & Gas
FEB 06 2008

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

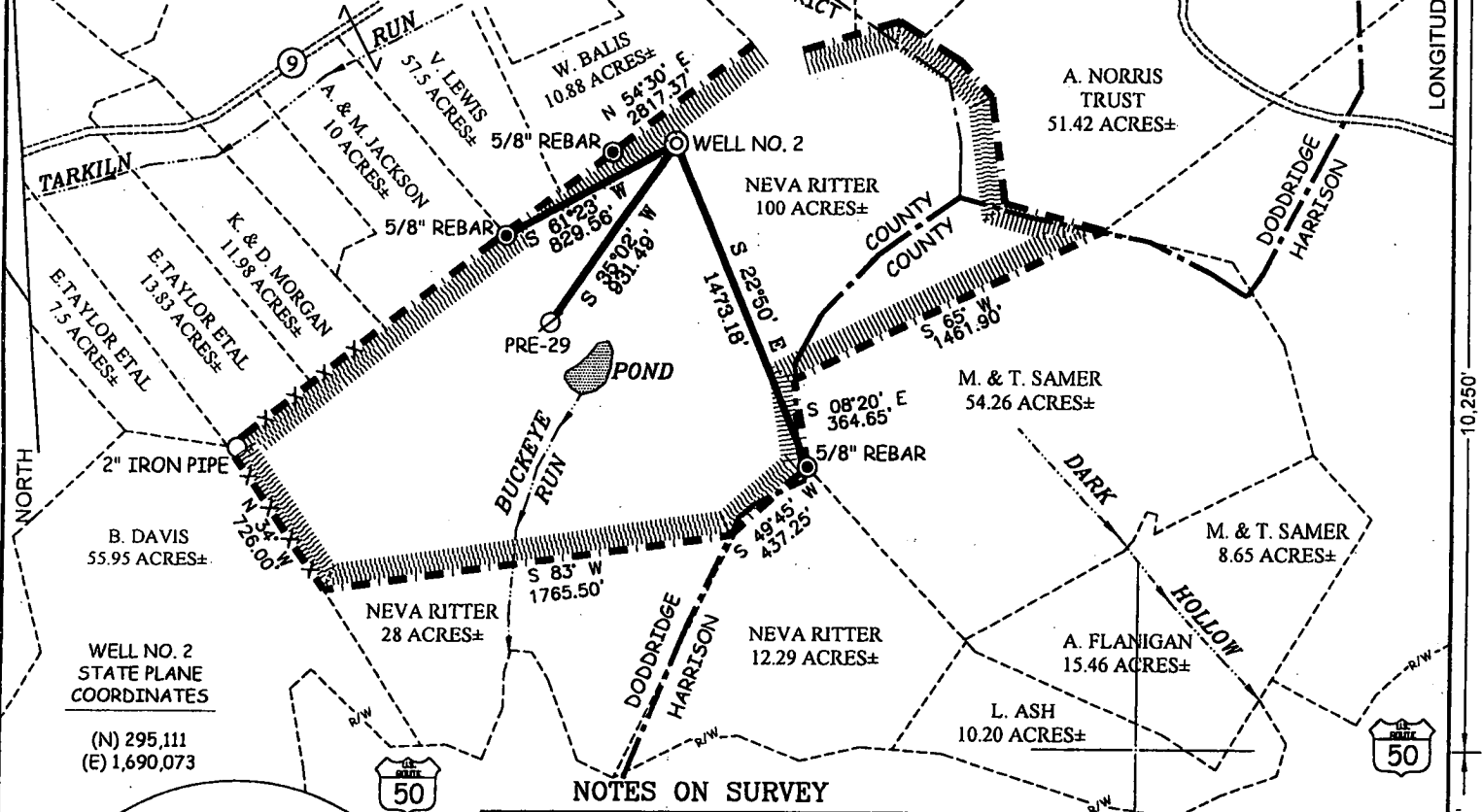
I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON
Signature Date 12-7-07
FOR EXECUTION BY A CORPORATION, ETC.
Company Name
By
Its
Signature Date

NEWLON LEASE

100 ACRES±

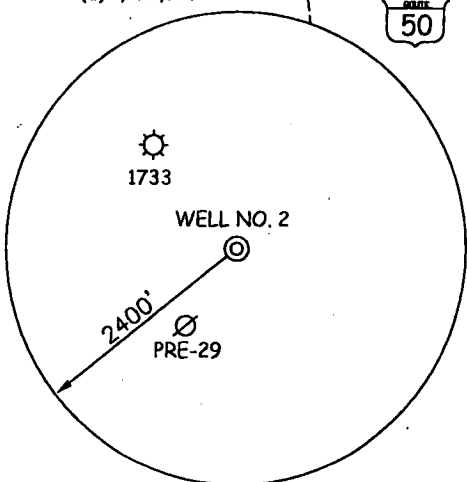
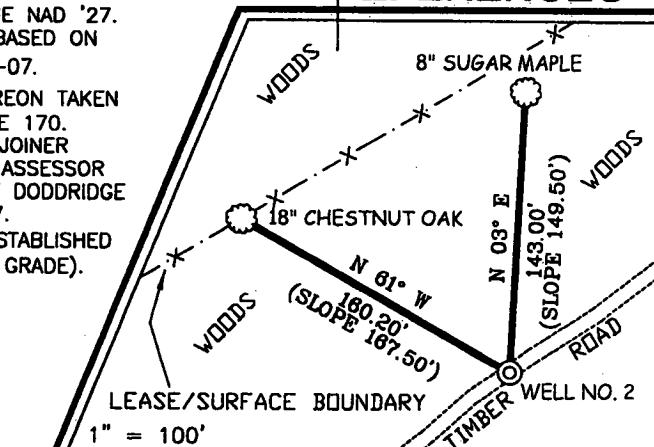
WELL NO. 2



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-20-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 109 PAGE 170.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

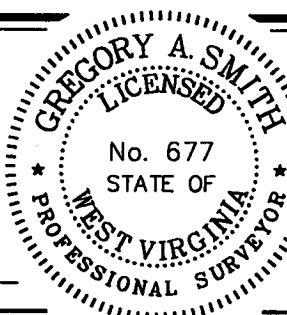
REFERENCES



SLS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 677 *Gregory A. Smith*



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 14, 20 08

OPERATORS WELL NO. NEWLON #2

API WELL NO. 47-017-05586
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6714P2(252-18)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒
LOCATION: ELEVATION 1,359' WATERSHED BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER NEVA RITTER ACREAGE 100±
ROYALTY OWNER C. MUTSCHELKNAUS ETAL LEASE ACREAGE 100 OF 144±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

17-05645
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION1) Well Operator Hall Drilling, LLCOperator
ID17
Doddridge

County

5
McClellan

District

596
Salem 7.5'

Quadrangle

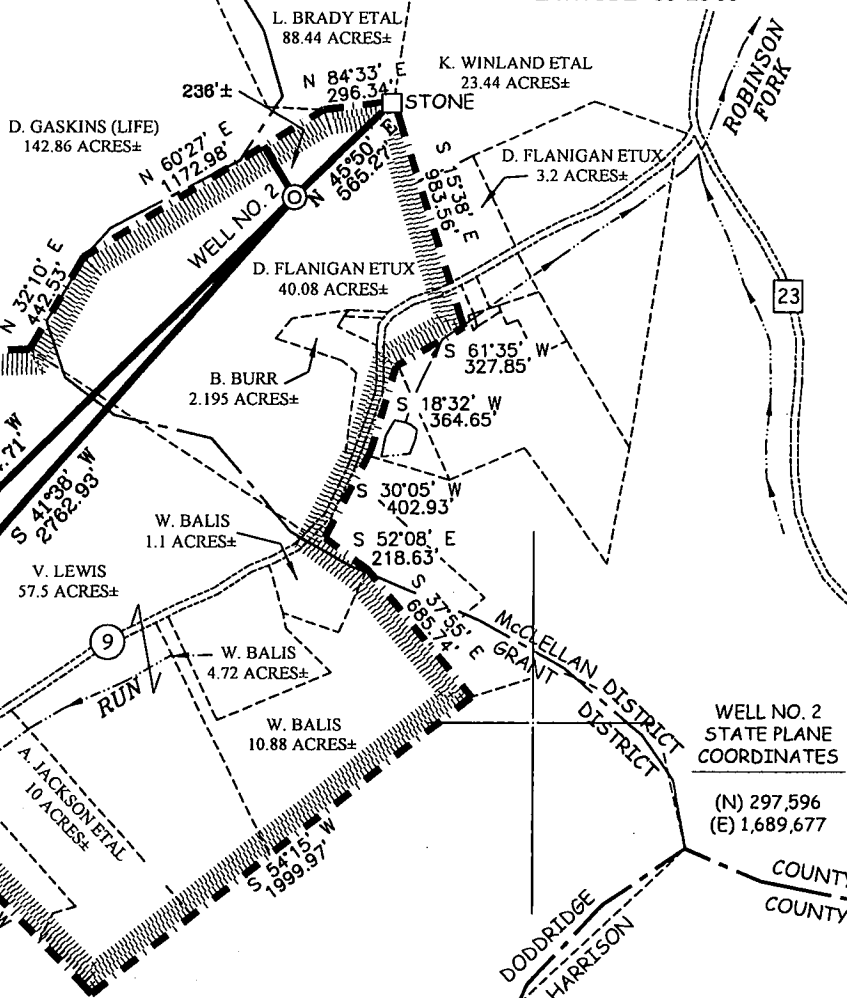
2) Operators Well Number: Chess No. 23) Elevation: 1250'4) Well Type: (a) Oil _____ or Gas X(b) If Gas: Production X / Underground Storage _____
Deep X / Shallow _____5) Proposed Target Formation(s): Marcellus6) Proposed Total Depth: 8100' Feet7) Approximate fresh water strata depths: 217'8) Approximate salt water depths: 1400'9) Approximate coal seam depths: None10) Does land contain coal seams tributary to active mine? No11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"		22#	270'	270'	@ TS 1 gph
Fresh Water	9 5/8"			1250'	1250'	CTS
Coal						
Intermediate	7"		16#	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		11.50#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths SetCh 012812
650RECEIVED
Office of Oil & Gas
APR 03 2008
WV Department of
Environmental Protection

CHESSE LEASE 133.77 ACRES± WELL NO. 2



LONGITUDE 80°35'00"

7,760'

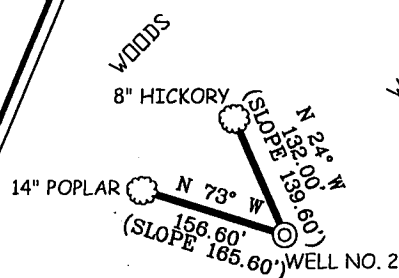
LAT. 39°18'42.8"

WELL NO. 2
STATE PLANE
COORDINATES
(N) 297,596
(E) 1,689,677

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-21-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 140 PAGE 563.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

UPDATED MAY 16, 20 08

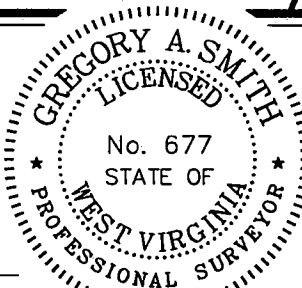
OPERATORS WELL NO. CHESSE #2

API WELL NO. 47

STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6713P2R(252-20)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☒ SHALLOW ☐
LOCATION: ELEVATION 1,250' WATERSHED ROBINSON FORK
DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER DON FLANIGAN ETUX ACREAGE 40.08±
ROYALTY OWNER TETRICK HEIRS LEASE ACREAGE 133.77±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

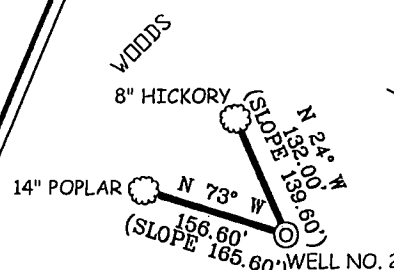
CHESSE LEASE 133.77 ACRES± WELL NO. 2

D. GASKINS (LIFE)
142.86 ACRES±L. BRADY ETAL
88.44 ACRES±K. WINLAND ETAL
23.44 ACRES±D. FLANIGAN ETUX
3.2 ACRES±D. FLANIGAN ETUX
40.08 ACRES±B. BURR
2.195 ACRES±W. BALIS
1.1 ACRES±V. LEWIS
57.5 ACRES±W. BALIS
4.72 ACRES±W. BALIS
10.88 ACRES±A. JACKSON ETAL
10 ACRES±K. & D. MORGAN
4.9 ACRES±G. BURR ETAL
24 ACRES±N 07°55' E
313.83'S 89°30' E
580.97'N 10°15' W
263.84'N 22°35' E
421.08'N 72°34' E
210.87'N 51°20' W
339.07'N 44°06' W
67.48'N 12°42' E
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125.48'

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-21-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 140 PAGE 563.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

UPDATED MAY 16, 20 08

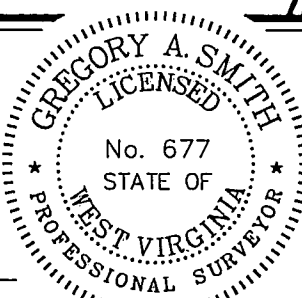
OPERATORS WELL NO. CHESSE #2

API

WELL NO. 47

STATE COUNTY PERMIT

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6713P2R(252-20)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ GAS ☒ LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP ☒ SHALLOW _____

LOCATION: ELEVATION 1,250' WATERSHED ROBINSON FORK

DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER DON FLANIGAN ETUX ACREAGE 40.08±

ROYALTY OWNER TETRICK HEIRS LEASE ACREAGE 133.77±

PROPOSED WORK: LEASE NO. _____

DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346 ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

April 08, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705645, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: CHESS 2
Farm Name: FLANIGAN, DON
API Well Number: 47-1705645
Permit Type: New Well
Date Issued: 04/08/2008

Promoting a healthy environment.

17-05645

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 5 596
Operator ID County District Quadrangle

2) Operators Well Number: Chess No. 2 3) Elevation: 1250'

4) Well Type: (a) Oil _____ or Gas X
(b) If Gas: Production X / Underground Storage _____
Deep _____ / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 217'

8) Approximate salt water depths: 1400'

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			270'	270'	CTS <i>[initials]</i>
Fresh Water	9 5/8"			1250'	1250'	CTS
Coal						
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

CK 012812
650

RECEIVED
Office of Oil & Gas
APR 03 2008
WV Department of
Environmental Protection

1) Date: January 23, 2008
2) Operator's Well Number: Chess No. 2
3) API Well No.: 47 - 017 - 05645
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Don Flanigan et ux
Address Rt. 5 Box 90
Salem, WV 26426

(b) Name _____
Address _____

(c) Name _____
Address _____

6) Inspector

Address Mike Underwood
Route 2 Box 135
Salem, WV 26426
Telephone 304-552-3874

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration

Name None
Address _____

Name _____
Address _____

(c) Coal Lessee with Declaration

Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR
X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ____ on the above named parties by:

Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this _____ day of _____, 2008
My Commission Expires 4/18/2011
Notary Public

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Tetrick Heirs	Bluestone Energy Partners	1/8th	217/514

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Office of Oil & Gas
APR 03 2008
WV Department of
Environmental Protection

Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
	Well operator's private laboratory	
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Chess No. 2

NOTE: There appears to be 4± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

RECEIVED
APR 18 2008
WV Department of
Environmental Protection

17-05645



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

ENVIRONMENTAL DIVISION

(304) 462-5634 • FAX 462-5658

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling

LEASE NAME AND NUMBER: Chess #2

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Dorothy Gaskins

Address: Rt. 2 Box 77 Salem, WV 26426

Letter/Notice Date: 1/24/08

Comments: _____

Owner/Occupant: David Hill

Address: RR 5 Box 1198 Salem, WV 26426

Letter/Notice Date: 1/24/08

Comments: _____

Owner/Occupant: Equitable Gas Co.

Address: PO Box 155 Clarksburg, WV 26302

Letter/Notice Date: 1/24/08

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

6713.potential.Hall.Chess2

RECEIVED
Office of Oil & Gas
APR 03 2008
WV Department of
Environmental Protection

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Robinson Fork Quadrangle Salem 7.5'

Elevation 1250' County Doddridge District McClellan

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

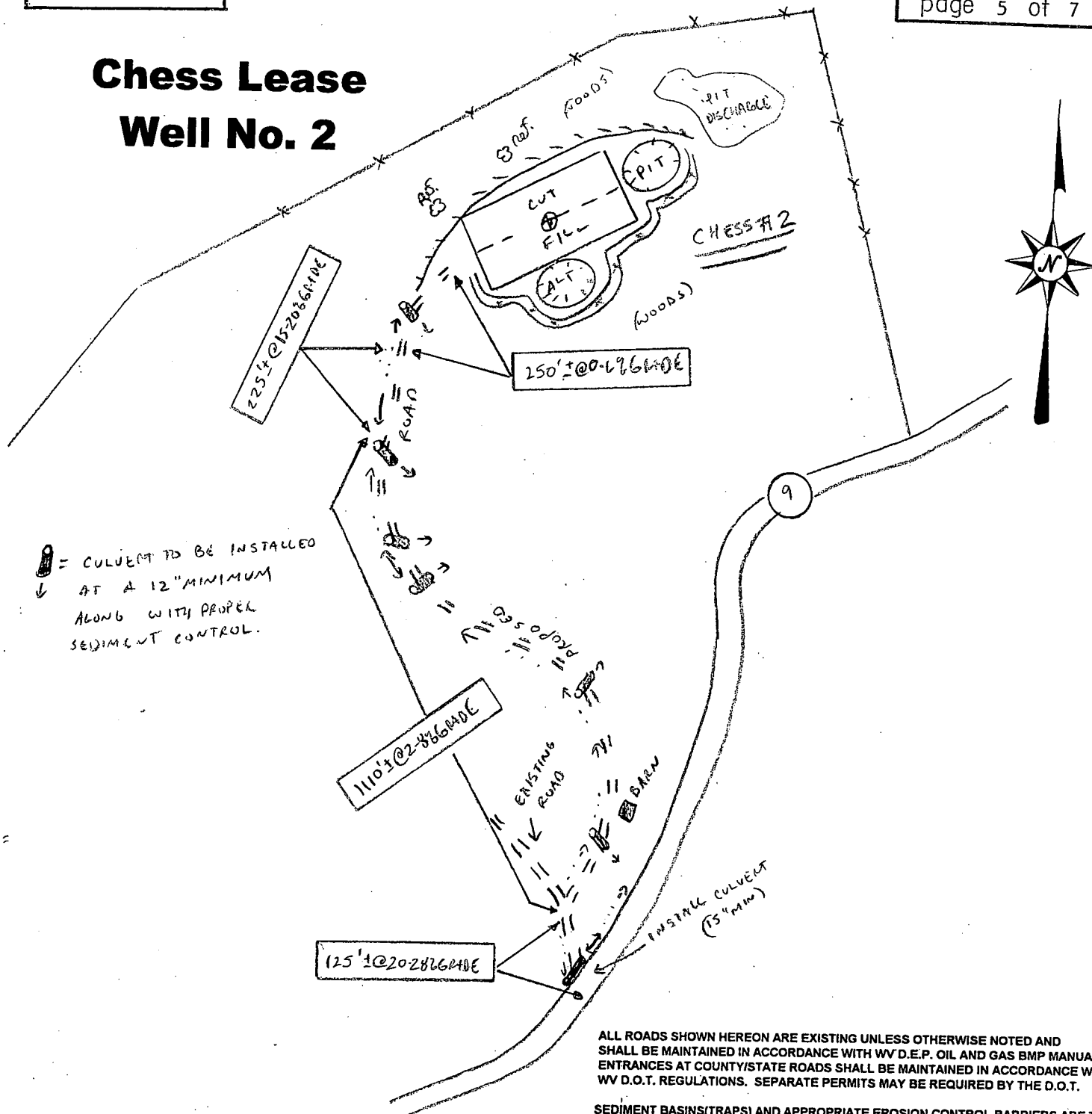
Subscribed and sworn before me this 24th day of Feb, 2008

Notary Public

My commission expires 4/18/2011

RECEIVED
Office of Oil and Gas
APR 08 2008
WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION

Chess Lease Well No. 2



ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.



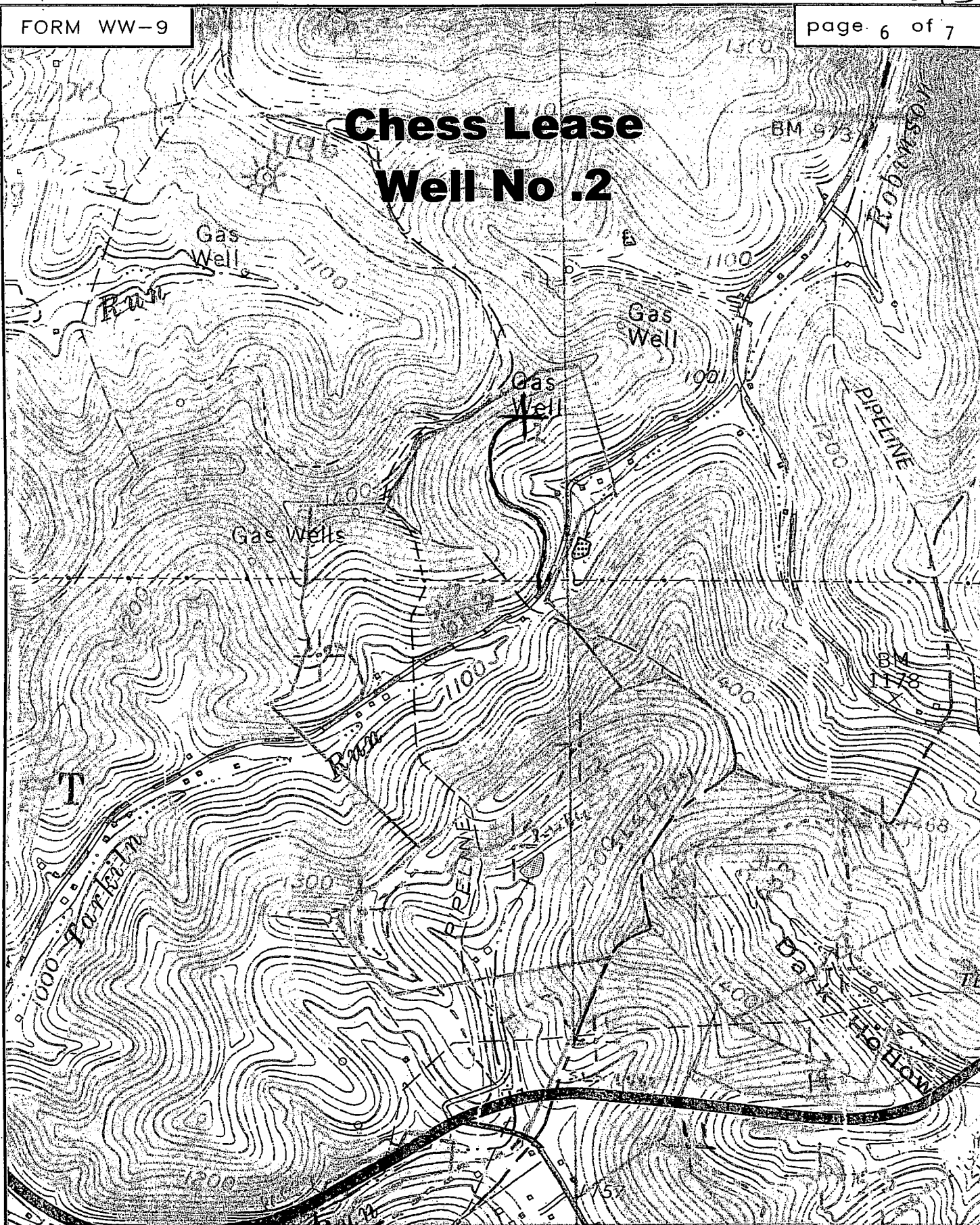
SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5656 or 462-5634

DRAWN BY C.P.M. DATE 1/21/03 FILE NO. 6713

Chess Lease Well No .2



SLS

SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF

SALEM 7.5'

FILE NO. 6713

DATE 1/21/08

SCALE 1"=1000'

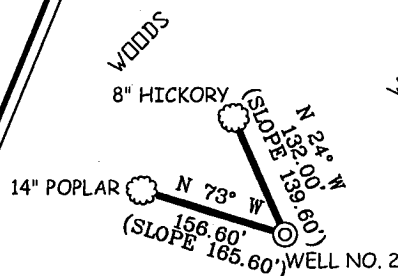
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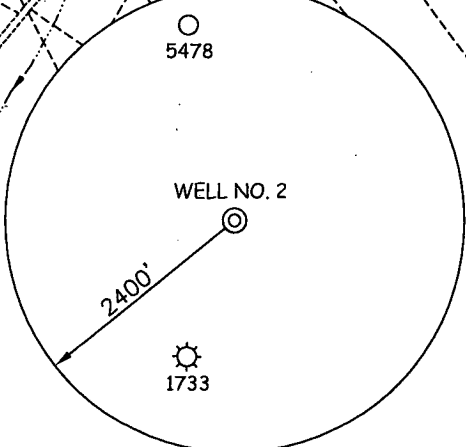
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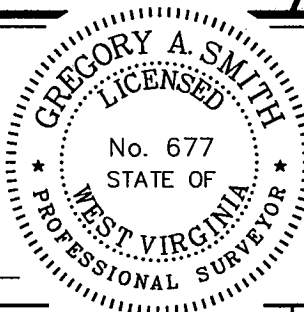
1" = 200'



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

Gregory A. Smith



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

OPERATORS WELL NO. CHESSE #2

API WELL NO. 47 - 017 - 05645
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6713P2(252-20)

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 800'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ GAS <input checked="" type="checkbox"/> INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION <input checked="" type="checkbox"/> STORAGE _____ DEEP _____ SHALLOW <input checked="" type="checkbox"/>
LOCATION: ELEVATION 1,250' WATERSHED ROBINSON FORK
DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER DON FLANIGAN ETUX ACREAGE 40.08±
ROYALTY OWNER TETRICK HEIRS LEASE ACREAGE 133.77±
PROPOSED WORK: LEASE NO. _____
DRILL <input checked="" type="checkbox"/> CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE <input checked="" type="checkbox"/> PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Salem

Operator: HALL DRILLING, LLC
API: 1705645
WELL No: CHESS 2
Reviewed by: [Signature] Date: 4-7-08
Due Date: [Signature]

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☐ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☐ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☐ Company is Registered with the SOS
- ☐ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named above is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas

Department of Environmental Protection

601 57th Street SE

Charleston, WV 25304

Phone: (304) 926-0450

Fax: (304) 926-0452

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received via mail or fax by the Office of Oil & Gas by the end of the fifteenth day. You may call the Office of Oil & Gas to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons;
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

Damage Compensation. Surface owners are entitled to compensation for damages to their property resulting from oil and gas drilling activity. Such damage compensation may be addressed pursuant to Article 7, Chapter 22 of the West Virginia Code.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments including a work order on Form WW2-B, a survey plat, and a soil erosion and sedimentation control plan, all for proposed well work on my surface land as described therein. I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. I have no objection to this well being drilled within 200 linear feet of my water well or dwelling.

FOR EXECUTION BY A NATURAL PERSON

Printed Name: DOAN E. FLANIGAN
Signature: DOAN E. FLANIGAN
Date: 2/13/08

FOR EXECUTION BY A CORPORATION, ETC.

Company Name: _____
Signed by: _____
Its: _____
Signature: _____
Date: _____

CHESSE LEASE 133.77 ACRES± WELL NO. 2

D. GASKINS (LIFE)
142.86 ACRES±L. BRADY ETAL
88.44 ACRES±K. WINLAND ETAL
23.44 ACRES±

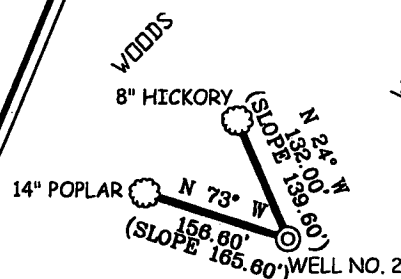
STONE

D. FLANIGAN ETUX
3.2 ACRES±D. FLANIGAN ETUX
40.08 ACRES±B. BURR
2.195 ACRES±W. BALIS
1.1 ACRES±V. LEWIS
57.5 ACRES±W. BALIS
4.72 ACRES±W. BALIS
10.88 ACRES±WELL NO. 2
STATE PLANE
COORDINATES(N) 297,596
(E) 1,689,677COUNTY
COUNTY

NOTES ON SURVEY

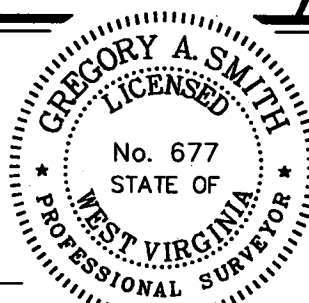
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 12-21-07.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 140 PAGE 563.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



1" = 200'

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

OPERATORS WELL NO. CHESSE #2

API WELL NO. 47-017-05645
STATE COUNTY PERMIT

MINIMUM DEGREE
OF ACCURACY

1 / 200

FILE NO. 6713P2(252-20)

PROVEN SOURCE
OF ELEVATION

SCALE 1" = 800'

DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒

LOCATION: ELEVATION 1,250' WATERSHED ROBINSON FORK

DISTRICT McCLELLAN COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER DON FLANIGAN ETUX ACREAGE 40.08±

ROYALTY OWNER TETRICK HEIRS LEASE ACREAGE 133.77±

PROPOSED WORK: LEASE NO. _____

DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Form: WW - 2B

4/9
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Hurst No. 1 3) Elevation: 1183'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 8100' Feet

7) Approximate fresh water strata depths: 120'

8) Approximate salt water depths: 1300'

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

Freshwater casing NOT to run below
Elevation

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 7/8"		22#	250'	250'	CTS
Fresh Water	9 5/8"			1183'	1183'	CTS
Coal						By Rule 35 CSR 4-11.1
Intermediate	7"		16#	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		11.60#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

CL2739
650

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

HURST LEASE 51 ACRES± WELL NO. 1

J. PRATT
55.5 ACRES±L. ELEANOR ETAL
6.2 ACRES±J. McCLASKEY
7.09 ACRES±J. YAREMKO
2 ACRES±J. WAGNER
4.25 ACRES±P/O J. YAREMKO
129.73 ACRES±

12" CHESTNUT OAK

N 89°49' W

1728.11'

120'±

WELL NO. 1

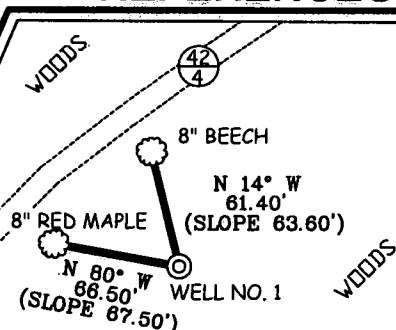
12" BLACK OAK

S 78°08' W
2492.26'P/O J. YAREMKO
129.73 ACRES±P/O J. YAREMKO
129.73 ACRES±GRANT DISTRICT
GREENBRIER DISTRICTC. LAW ETAL
40 ACRES±WELL NO. 1
STATE PLANE
COORDINATES(N) 284,361
(E) 1,690,967C. LAW ETAL
91.5 ACRES±

NOTES ON SURVEY

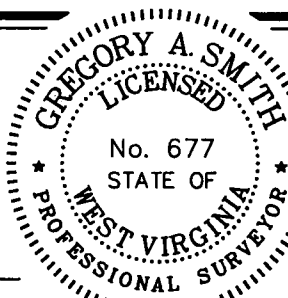
1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-22-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 180 PAGE 406.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES



1" = 100' POSSIBLE PRE-29 WELL LOCATION

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 28, 20 08

UPDATED MAY 16, 20 08

OPERATORS WELL NO. HURST #1

API

WELL

NO.

47

STATE

COUNTY

PERMIT

MINIMUM DEGREE
OF ACCURACY

1 / 200

FILE NO. 6623P1R(252-52)

SCALE 1" = 500'

PROVEN SOURCE
OF ELEVATION

DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GASWELL TYPE: OIL _____ LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP ☒ SHALLOW _____

LOCATION:

ELEVATION 1,183' WATERSHED LONG RUN

DISTRICT GRANT COUNTY DODDRIDGE

QUADRANGLE SALEM 7.5'

SURFACE OWNER JERRY YAREMKO

ACREAGE 51 OF 129.73±

ROYALTY OWNER JOHN STALTER

LEASE ACREAGE 51±

PROPOSED WORK:

LEASE NO.

DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG OFF OLD

FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC

DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249

ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

April 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705638, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: HURST 1

Farm Name: YAREMKO, JERRY

API Well Number: 47-1705638

Permit Type: New Well

Date Issued: 04/09/2008

Promoting a healthy environment.

Form: WW - 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

4/19 1) Well Operator Hall Drilling 17 3 596
Operator ID County District Quadrangle
Doddridge Grant Salem 7.5'

2) Operators Well Number: Hurst No. 1 3) Elevation: 1183'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 120'

8) Approximate salt water depths: 1300'

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

Freshwater casing NOT to run below
Elevation

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	<u>13 7/8"</u>			<u>250'</u>	<u>250'</u>	<u>CTS</u>
Fresh Water	<u>9 5/8"</u>			<u>1183'</u>	<u>1183'</u>	<u>CTS</u>
Coal						
Intermediate	<u>7"</u>			<u>2900'</u>	<u>2900'</u>	<u>By Rule 35 CSR 4-11.1</u>
Production	<u>4 1/2"</u>			<u>7800'</u>	<u>7775'</u>	<u>By Rule 35 CSR 4-11.1</u>
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

0212739
650

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

WW2-A
Revised 8/02

1) Date: January 28, 2008
2) Operator's Well Number: Hurst No. 1
3) API Well No.: 47 - 017 - 05638
State County Permit

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Jerry Yaremko</u>	Name _____
Address <u>25 Spruce Hollow Road</u>	Address _____
<u>Palmerton, PA 18071</u>	_____
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>None</u>
_____	Address _____
(c) Name _____	Name _____
Address _____	Address _____
_____	_____
6) Inspector <u>Mike Underwood</u>	(c) Coal Lessee with Declaration
Address <u>Route 2 Box 135</u>	Name _____
<u>Salem, WV 26426</u>	Address _____
Telephone <u>304-552-3874</u>	_____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through on the above named parties by:

 Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
 Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me
this 30 day of Jan, 2008

My Commission Expires 4/18/2011

Notary Public

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Rosalee S. Wilson et al	Bluestone Energy Partners	1/8 th	LB 220/539

RECEIVED
Office of Oil & Gas
MAR 24 2007
WV Department of
Environmental Protection

Well Operator:
By:
Its:

Hall Drilling
Mike Hall
Designated Agent

Well No. Hurst No. 1

17-05638

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's private laboratory	
	Well Operator	Hall Drilling
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405

Hurst No. 1

NOTE: There appears to be no potable water sources within 1,000', therefore no tests will be run.

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL. ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

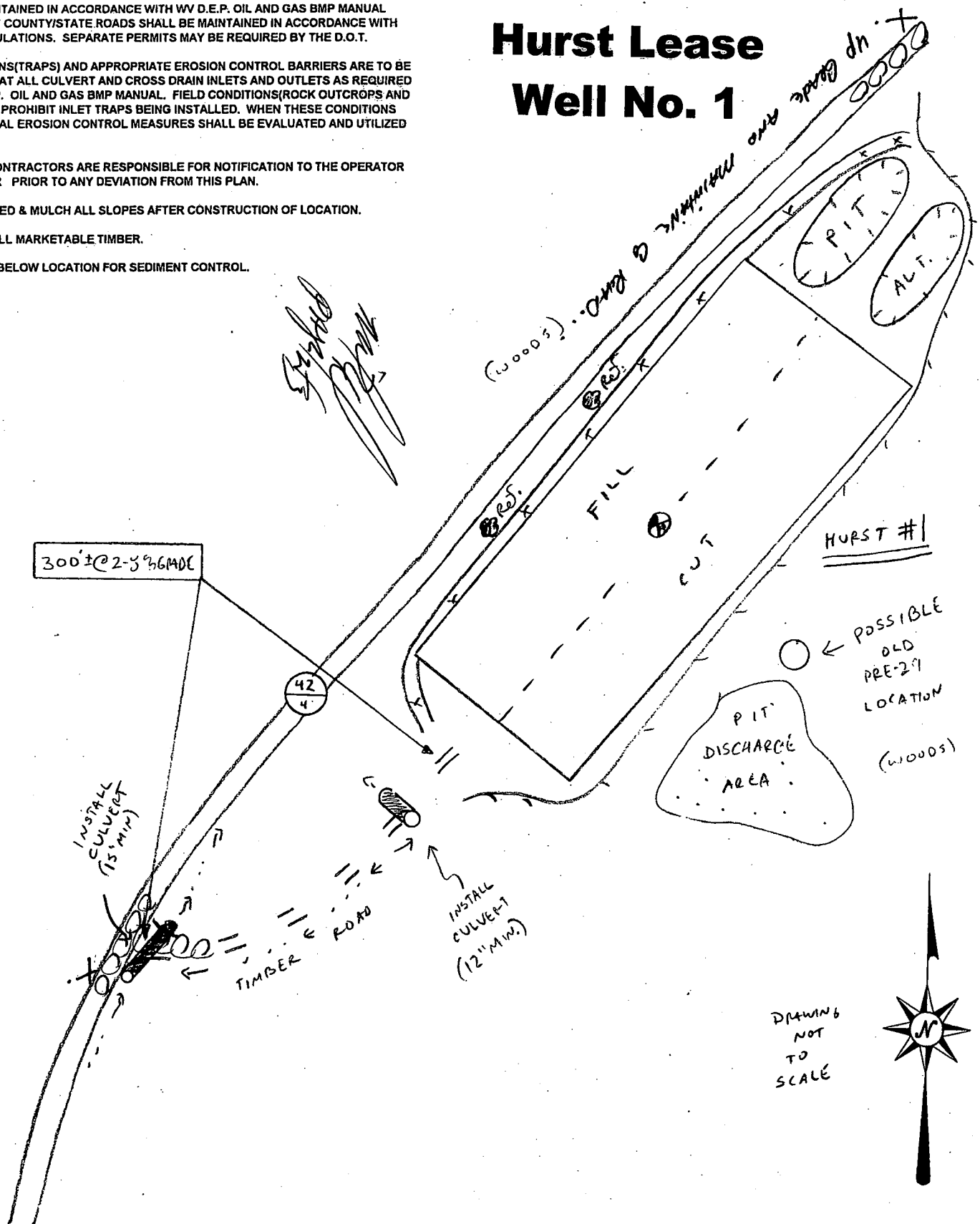
EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

Hurst Lease Well No. 1



DRAWING
NOT
TO
SCALE



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5656 or 462-5634

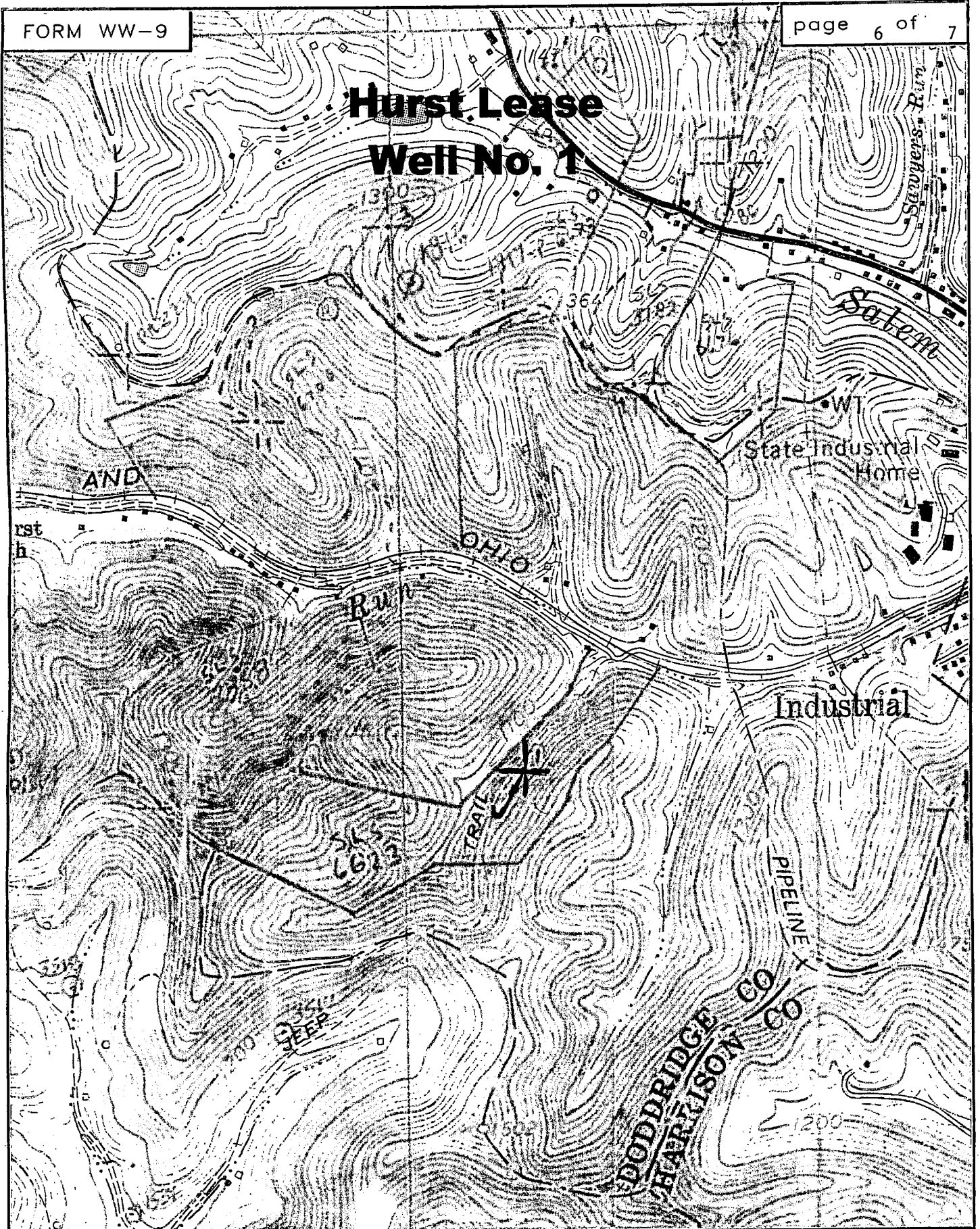
DRAWN BY C.P.M. DATE 1/28/08 FILE NO. 6623

17-05636

FORM WW-9

page 6 of 7

Hurst Lease Well No. 1



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF SALEM 7.5'

FILE NO. 6623 DATE 1/28/08 SCALE 1"=1000'

HURST LEASE 51 ACRES± WELL NO. 1

J. PRATT
55.5 ACRES±L. ELEANOR ETAL
6.2 ACRES±P/O J. YAREMKO
129.73 ACRES±J. McCLASKEY
7.09 ACRES±J. YAREMKO
2 ACRES±J. WAGNER
4.25 ACRES±

12" CHESTNUT OAK

N 89°49' W

1728.11'

S 77°00' E

1287.00'

S 78°08' W

2492.26'

P/O J. YAREMKO
129.73 ACRES±

12" BLACK OAK

N 54°00' E

878.62'

N 63°00' E

1204.50'

P/O J. YAREMKO
129.73 ACRES±GRANT DISTRICT
GREENBRIER DISTRICT

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-22-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 180 PAGE 406.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

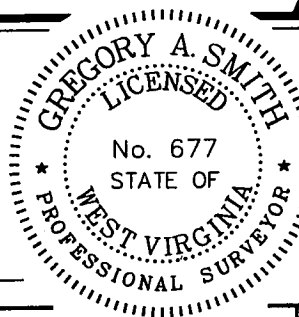
WELL NO. 1

PRE-29

2400'

SLS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677*Gregory A. Smith*

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 28, 20 08

OPERATORS WELL NO. HURST #1

API WELL NO. 47 - 017 - 05638
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)
FILE NO. 6623P1(252-52)
SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒

LOCATION: ELEVATION 1,183' WATERSHED LONG RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER JERRY YAREMKO ACREAGE 51 OF 129.73±
ROYALTY OWNER JOHN STALTER LEASE ACREAGE 51±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD
FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

REFERENCES

WELL NO. 1
STATE PLANE
COORDINATES
(N) 284,361
(E) 1,690,967C. LAW ETAL
91.5 ACRES±

8" BEECH
N 14° W
61.40'
(SLOPE 63.60')
8" RED MAPLE
N 80° W
66.50'
(SLOPE 67.50')
WELLS
WOODS
DRAIN

1" = 100' POSSIBLE PRE-29 WELL LOCATION

COUNTY NAME

PERMIT

Operator: Salem
HALL DRILLING, LLC
API: 1705638
WELL No: HURST 1
Reviewed by: JA Date: 4-6-09
Due Date: 4/9

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☐ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

17-05638

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource.

COPY

February 4, 2008

Jerry Yaremko
25 Spruce Hollow Road
Palmerton, Pa 18071

Re: Sarah Hurst Leasehold/51 acres of 129.73 acres, Grant District,
Doddridge County, West Virginia

Dear Mr. Yaremko;

We wanted to write and let you know that Bluestone Energy Partners/Hall Drilling LLC is hoping to drill upon a 51 acre tract of land which the records of the Clerk of the County Commission of Doddridge County, West Virginia indicate you as the surface owner.

The lease for the drilling and development of the leasehold was obtained from Rosealee Wilson et us (mineral owners). At this time we have retained the services of Smith Land Surveying out of Glenville, West Virginia to do all the paper work including spotting of the well location, etc.

In the very near future we will forward to you (by certified mail as requested by state law) a copy of the well plat and additional paper work for your review.

Mr. Terry Wyckoff is our field supervisor on this particular project. Please feel free to contact Terry (cell# 304-991-0720) if you should have any questions or would like to meet with him personally.

I appreciate your time and attention to this matter.

Sincerely;

Gregory R. Barton
Partner

PAKINER

Avenue • P.O. Box 249
6346



7007 1490 0004 3632 7557

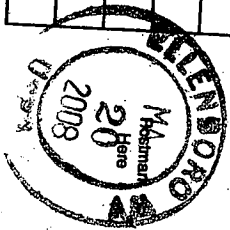
7007 1490 0004 3632 7557

UNITED STATES POSTAGE
182 PB8716901
0210 06.270 MAR 20 08
3564 ELLENBORO, WV 26346

Notification
Surface Owner
Hurst No. 1

Sent to
Street Apt No.
or PO Box No.
City, State, ZIP+4
PS Form 3800, August 2006
See Reverse for Instructions

Return Receipt Fee
(Endorsement Required)
Restricted Delivery Fee
(Endorsement Required)
Total Postage & Fees



U.S. Postal Service
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

COMPLETE THIS SECTION
2. and 3. Also complete
if delivery is desired
no address on the reverse
turn the card to you
to the back of the mailpiece,
or on the back of the space permits.

1. Article Addressed to:

Jerry Yaremko
25 Spruce Hollow Road
Palmerton, PA 18071

COMPLETE THIS SECTION ON DELIVERY
A. Signature
☒ Agent
☒ Addressee
B. Received by (Printed Name)
C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No
3. Service type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service)
7007 1490 0004 3632 7557

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

PAKINER
MAR 24 2008
Office of Oil & Gas
Environmental Protection
WV Department of

17-05438

17-056358

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

March 20, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

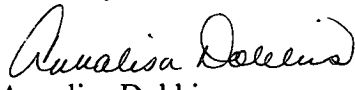
Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Sarah Hurst No. 1

Also enclosed is check no. 012739 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

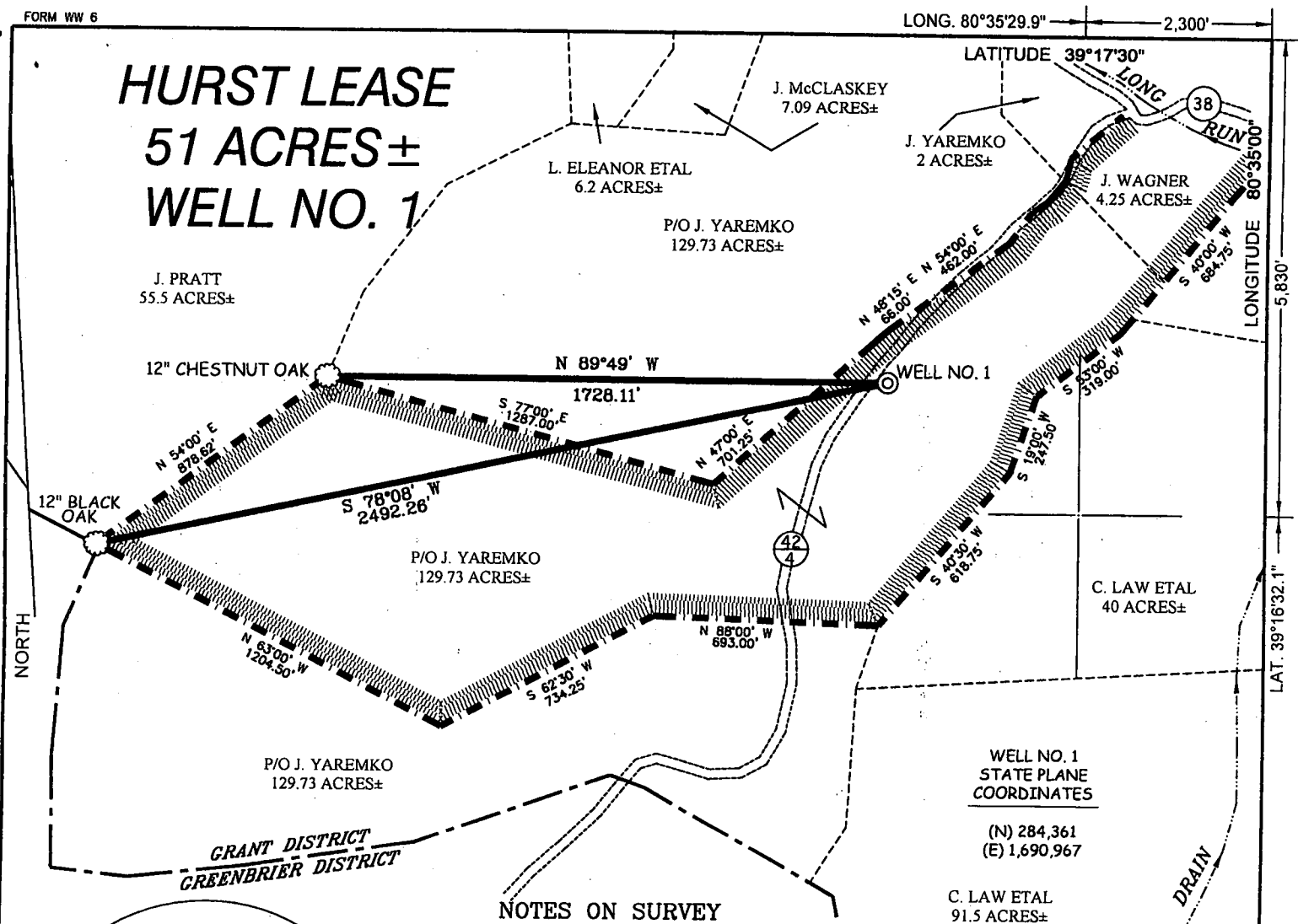
Sincerely,


Annalisa Dobbins
Administrative Assistant

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

Enclosures: Well package for Sarah Hurst No. 1
Check No. 012739- \$650.00

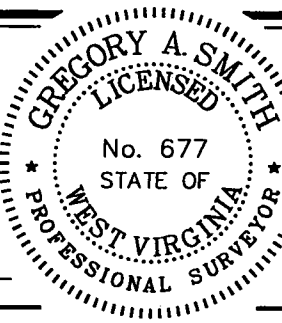
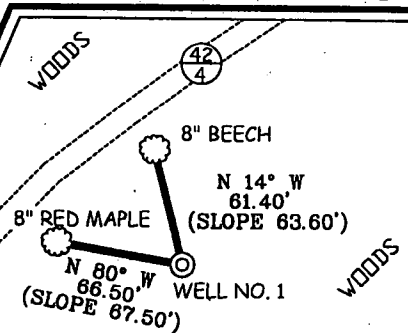
HURST LEASE 51 ACRES± WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-22-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 180 PAGE 406.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 28, 20 08

OPERATORS WELL NO. HURST #1

API WELL NO. 47 - 017 - 05638
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6623P1(252-52)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ GAS ☒ LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP _____ SHALLOW ☒

LOCATION: ELEVATION 1,183' WATERSHED LONG RUN DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER JERRY YAREMKO ACREAGE 51 OF 129.73±

ROYALTY OWNER JOHN STALTER LEASE ACREAGE 51±

PROPOSED WORK: LEASE NO. _____

DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME PERMIT

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 017 - 05636
Operator's Well No. Hurst No. 1

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Long Run Quadrangle Salem 7.5'

Elevation 1183' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

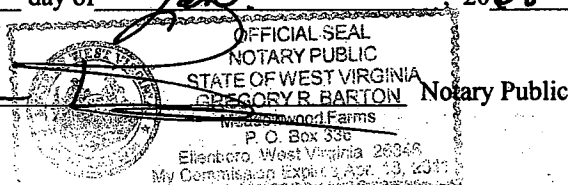
I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

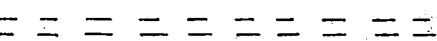
Subscribed and sworn before me this 20 day of Jan, 2008

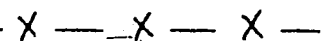


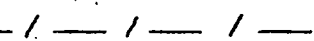
My commission expires 4/18/2011

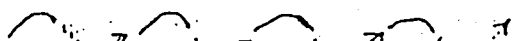
LEGEND

Property Boundary 

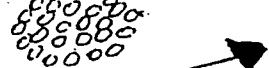
Road 

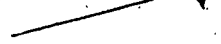
Existing Fence 

Planned Fence 

Stream 


Open Ditch 

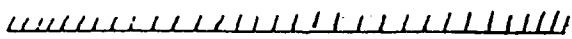
Rock 

North 

Buildings 


Water wells 

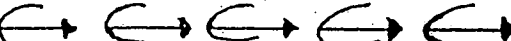
Drill site 

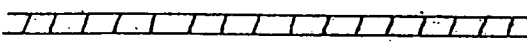
Diversion 

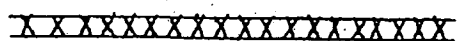
Spring 

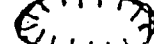
Wet Spot 


Drain Pipe with size in inches 

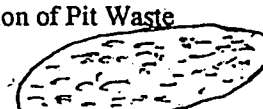
Waterway 

Cross Drain 

Artificial Filter Strip 

Pit: cut walls 

Pit: compacted fill walls 

Area for Land Application of Pit Waste 

Proposed Revegetation Treatment: Acres Disturbed 1.1 Prevegetation pH _____

Lime 3 Tons/acre or to correct to pH 6.5 NO LESS 2 TON PER ACRE

Fertilizer (10-20-20 or equivalent) 1/3 TON lbs/acre (500 lbs minimum)

Mulch HAY 2 Tons/acre PRE SEED! mulch all open cuts

Seed Mixtures

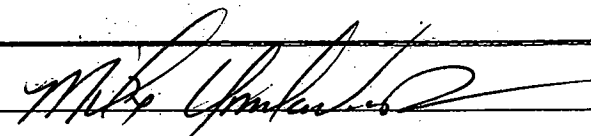
Seed Type	Area I lbs/acre
KY-31	40
ALSIKE CLOVER	5
ANNUAL RYE	15

Seed Type	Area II lbs/acre
ORCHARD GRASS	15
ALSIKE CLOVER	5

Attach:

Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: 

Title: 0.1/ GAS Insp.

Date: 2/13/08

Field Reviewed?

(☒) Yes

(☐) No

PA96-1043

J. PRATT
55.5 ACRES±

L. ELEANOR ETAL
6.2 ACRES±

P/O J. YAREMKO
129.73 ACRES±

J. McCLASKEY
7.09 ACRES±

J. YAREMKO
2 ACRES+

J. WAGNER
4.25 ACRES+

12" CHES

N 89°49' W

1728.11'

WELL NO. 1

P/O J. YAREMKO
129.73 ACRES±

C. LAW ETAL
40 ACRES±

P/O J. YAREMKO
129.73 ACRES±

WELL NO. 1
STATE PLANE
COORDINATES

(N) 284,361
(E) 1.690.967

C. LAW ETAL
91.5 ACRES±

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6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

REFERENCES

1" = 100' POSSIBLE PRE-29 WELL LOCATION

I THE UNDERSIGNED, HEREBY CERTIFY THAT
THIS PLAT IS CORRECT TO THE BEST OF MY
KNOWLEDGE AND BELIEF AND SHOWS ALL
THE INFORMATION REQUIRED BY LAW AND
THE REGULATIONS ISSUED AND PRESCRIBED
BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

A circular professional seal for Gregory A. Smith, a Licensed Professional Surveyor in the State of West Virginia. The seal features the name "GREGORY A. SMITH" at the top, "LICENSED" below it, "No. 677" in the center, "STATE OF" below the number, and "WEST VIRGINIA" at the bottom. The words "PROFESSIONAL SURVEYOR" are written along the bottom inner edge of the seal. The seal is surrounded by a decorative border of small stars.

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 28 , 20 08

UPDATED MAY 16 , 20 08

OPERATORS WELL NO. HURST #1

API

47 — —
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6623P1R(252-52)

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

**STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS**



WELL TYPE: OIL _____ GAS X LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION X STORAGE _____ DEEP X SHALLOW _____

LOCATION : _____
ELEVATION 1,183' WATERSHED LONG RUN

DISTRICT _____ GRANT _____ COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER JERRY YAREMKO ACREAGE 51 OF 129.73±

ROYALTY OWNER JOHN STALTER LEASE ACREAGE 51±

PROPOSED WORK : _____ LEASE NO. _____

DRILL X CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE X PLUG OFF OLD _____

FORMATION_____ PERFORATE NEW FORMATION_____ PLUG AND ABANDON_____ CLEAN OUT AND REPLUG_____ OTHER_____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

ELLENBORO, WV 26348

Form: WW - 2B

17-05664

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

W

1) Well Operator	Hall Drilling, LLC	Operator ID	Doddridge	County	Grant	District	Salem 7.5'	Quadrangle
------------------	--------------------	-------------	-----------	--------	-------	----------	------------	------------

2) Operators Well Number: Van Scoy No. 1 3) Elevation: 1273'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 8100' Feet
7) Approximate fresh water strata depths: 107'
8) Approximate salt water depths: 1000'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

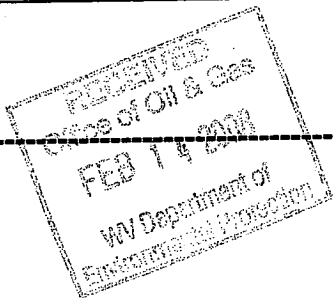
12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)

Conductor	13 5/8"		22#	250'	250'	CTS
Fresh Water	9 5/8"			1273'	1273'	CTS
Coal						
Intermediate	7"		16#	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		11.50#	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
 Sizes
 Depths Set

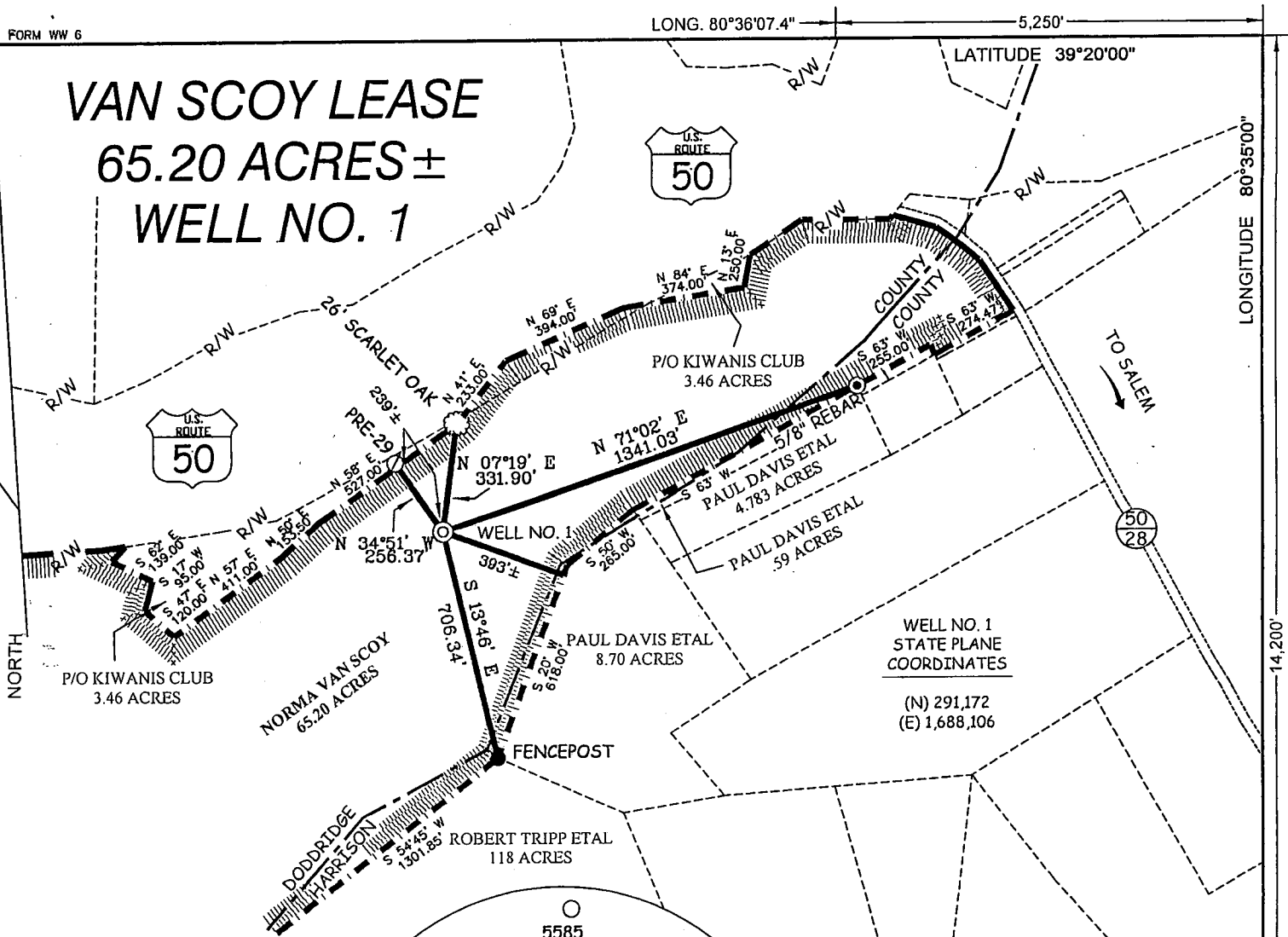
ck 1237
650



VAN SCOY LEASE

65.20 ACRES±

WELL NO. 1

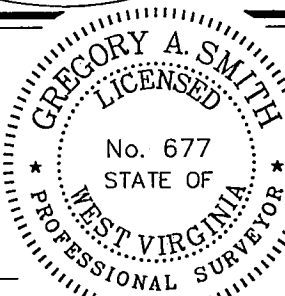


NOTES ON SURVEY

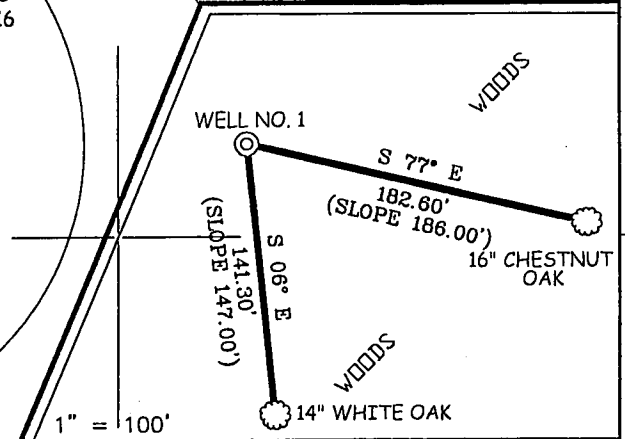
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SLS

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P.S.
677

REFERENCES



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

UPDATED MAY 20, 20 08

OPERATORS WELL NO. VAN SCOY #1

API
WELL NO. 47 - 017 - 5604

STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6744P1R(252-41) SCALE 1" = 500'

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GASWELL TYPE: OIL GAS ☒ LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION ☒ STORAGE DEEP ☒ SHALLOW

LOCATION: ELEVATION 1,273' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NORMA VAN SCOY ACREAGE 65.20±

ROYALTY OWNER NORMA VAN SCOY ETAL LEASE ACREAGE 65.20±

PROPOSED WORK: LEASE NO.

DRILL ☒ CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

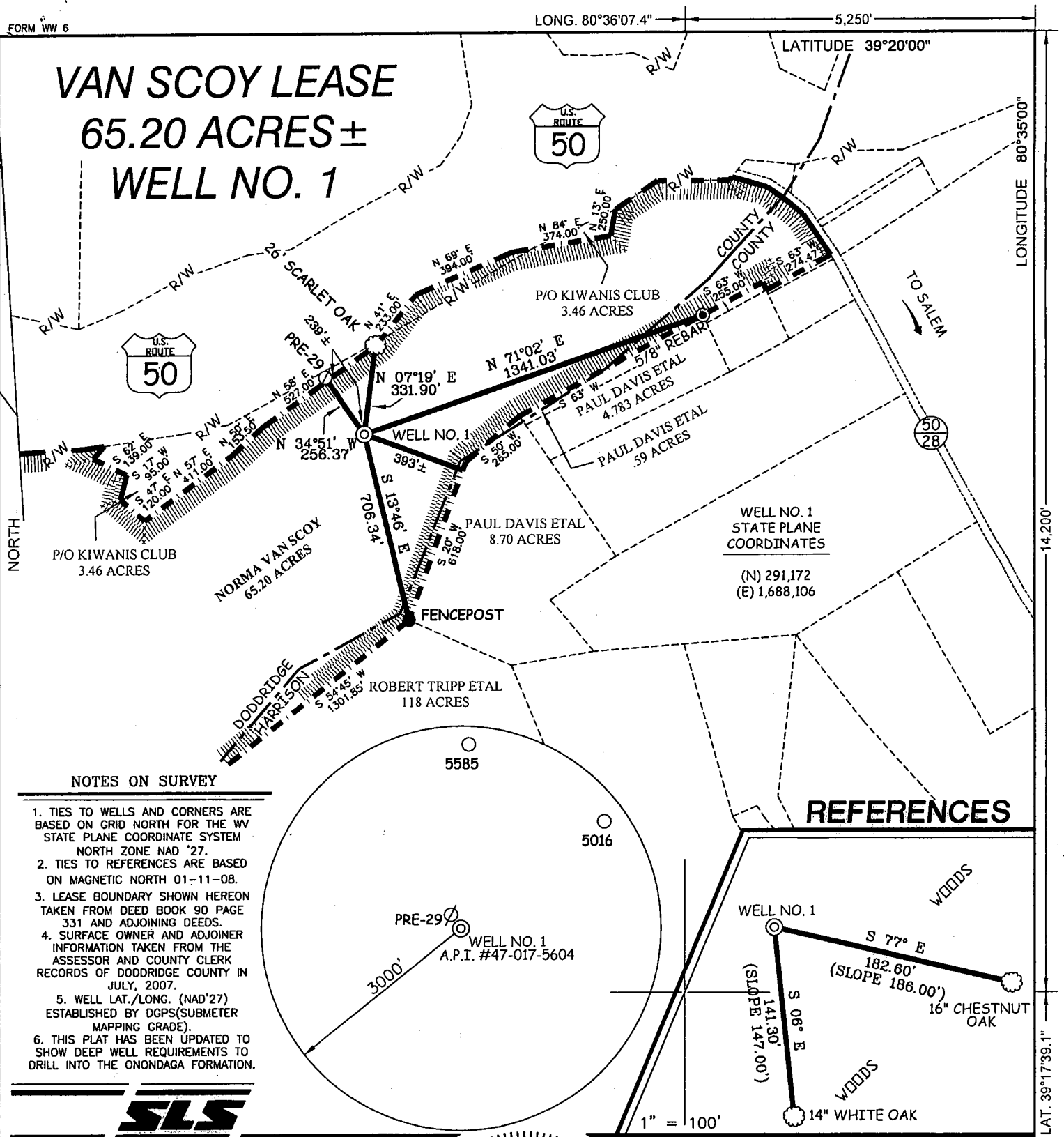
COUNTY NAME

PERMIT

VAN SCOY LEASE

65.20 ACRES±

WELL NO. 1

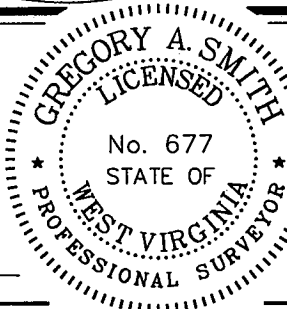


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P.S.
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DATE JANUARY 21, 20 08

UPDATED MAY 20, 20 08

OPERATORS WELL NO. VAN SCOY #1

API
WELL NO. 47 - 017 - 5604
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200
FILE NO. 6744P1R(252-41)
SCALE 1" = 500'
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL _____ LIQUID INJECTION _____ WASTE DISPOSAL _____ IF "GAS" PRODUCTION ☒ STORAGE _____ DEEP ☒ SHALLOW _____

LOCATION: ELEVATION 1,273' WATERSHED BUCKEY RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

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PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346 ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

February 21, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705604, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: VAN SCOY 1
Farm Name: VAN SCOY, NORMA
API Well Number: 47-1705604
Permit Type: New Well
Date Issued: 02/21/2008

Promoting a healthy environment.

Form: WW - 2B

17-05604

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

W

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: Van Scoy No. 1 3) Elevation: 1273'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800 Feet
7) Approximate fresh water strata depths: 107'
8) Approximate salt water depths: 1000'
9) Approximate coal seam depths: None
10) Does land contain coal seams tributary to active mine? No

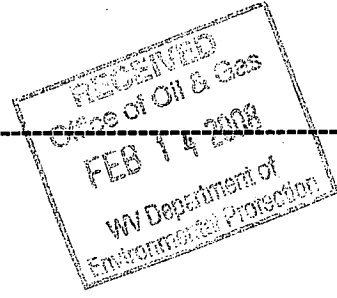
11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM
TYPE SPECIFICATIONS FOOTAGE INTERVALS CEMENT

	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			250'	250'	CTS
Fresh Water	9 5/8"			1273'	1273'	CTS
Coal						→ D.K. <i>midul</i>
Intermediate	7"			2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"			7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

ck 1237
650



WW2-A
Revised 8/02

1) Date: January 22, 2008
2) Operator's Well Number: Van Scoy No. 1
3) API Well No.: 47 - 017 - 05604
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Norma Van Scoy
Address RR 1 Box 77
Salem, WV 26426

(b) Name _____
Address _____

(c) Name _____
Address _____

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration

Name None
Address _____

Name _____
Address _____

6) Inspector

Address Mike Underwood
Route 2 Box 135
Salem, WV 26426

Telephone 304-552-3874

(c) Coal Lessee with Declaration

Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through _____ on the above named parties by:

Personal Service (Affidavit attached)

X Certified Mail (Postmarked postal receipt attached)

Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator

By:

Its:

Address

Telephone

Hall Drilling, LLC

Mike Hall

Designated Agent

P.O. Box 249C

Ellenboro, WV 26346

304-869-3405

Subscribed and sworn before me
this _____

day of _____

Notary Public

My Commission Expires _____

Form WW-2A-1
(8/02)

Operator's Well Number Van Scoy No. 1

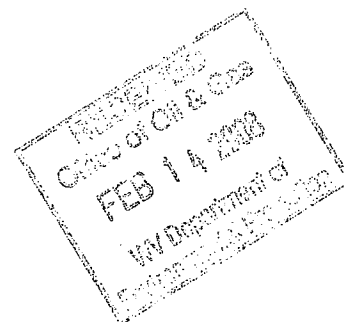
17-05664

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Norma Van Scoy, et al	Bluestone Energy Partners	1/8th	28220/543



Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

West Virginia Department of Environmental Protection

Office of Oil and Gas

17-05604

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

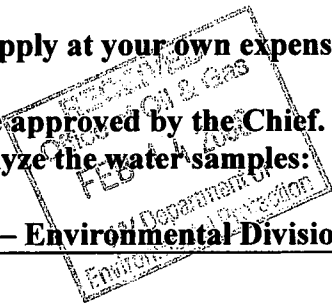
With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:



☒ Contractor Name

Smith Land Surveying, Inc. – Environmental Division

☐ Well operator’s private laboratory

Well Operator

Hall Drilling, LLC

Address

P.O. Box 249

Ellenboro, WV 26346

Telephone

304-869-3405

FOR OPERATOR’S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Van Scoy No. 1

NOTE: There appears to be 1± potable water sources within 1,000’, therefore tests will be offered and samples taken as required.

17-05604



SMITH LAND SURVEYING, INC.

ENVIRONMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

(304) 482-5834 • FAX 482-5866

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling

LEASE NAME AND NUMBER: VanScoy 1

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Berneda Davis

Address: Rt. 5 Box 24 Salem, WV 25276

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Kiwanis Club

Address: Salem, WV 26426

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: Lucille VanScoy

Address: Rt. 1 Box 77 Salem, WV 25276

Letter/Notice Date: 1/23/08

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

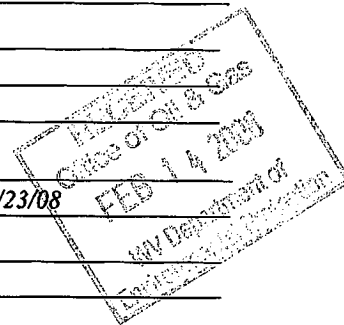
Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____



17-05604

Form WW-9

page 5 of 7

Van Scoy Lease Well No. 1

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

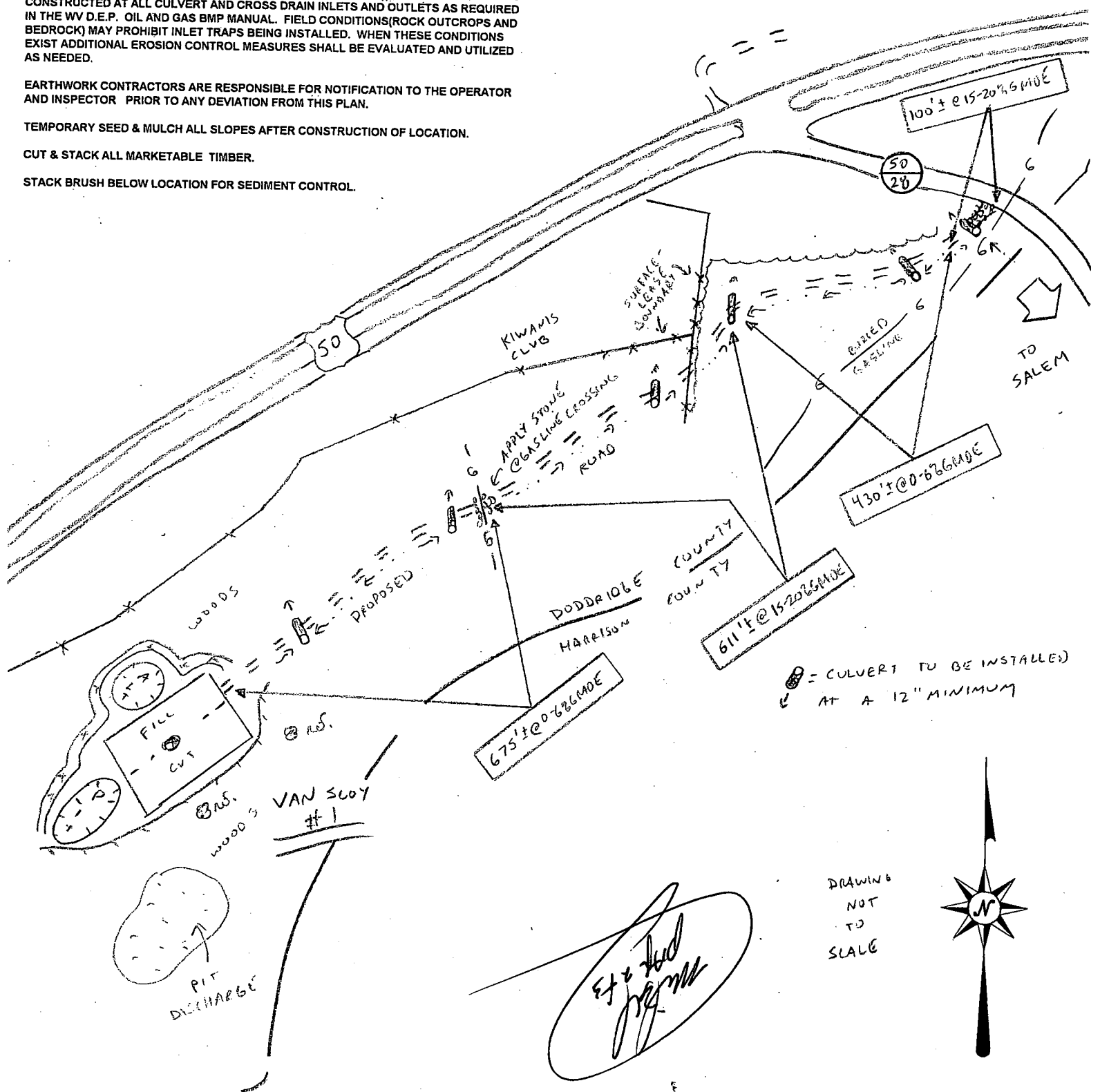
SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

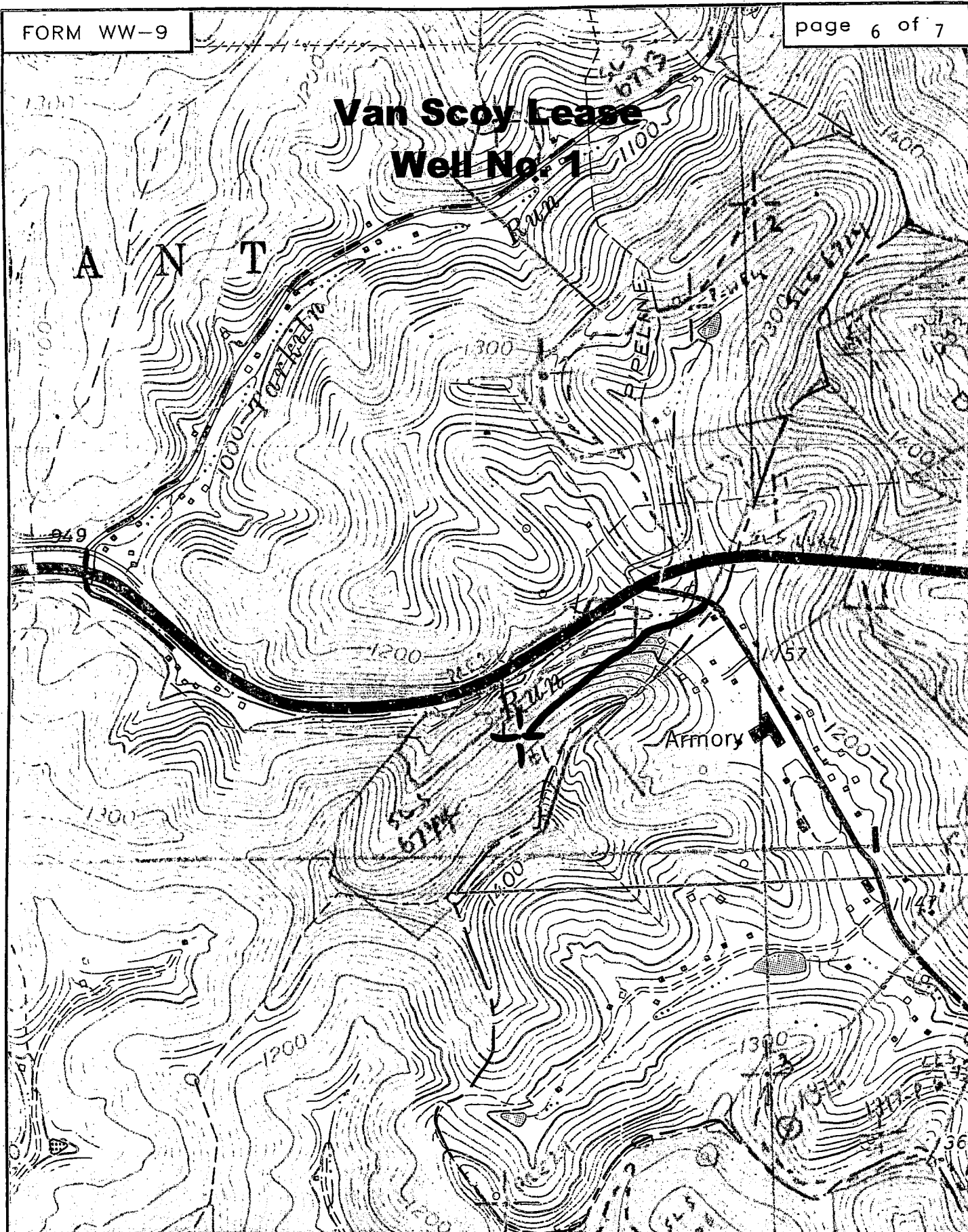


17-05604

FORM WW-9

page 6 of 7

Van Scoy Lease Well No. 1



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

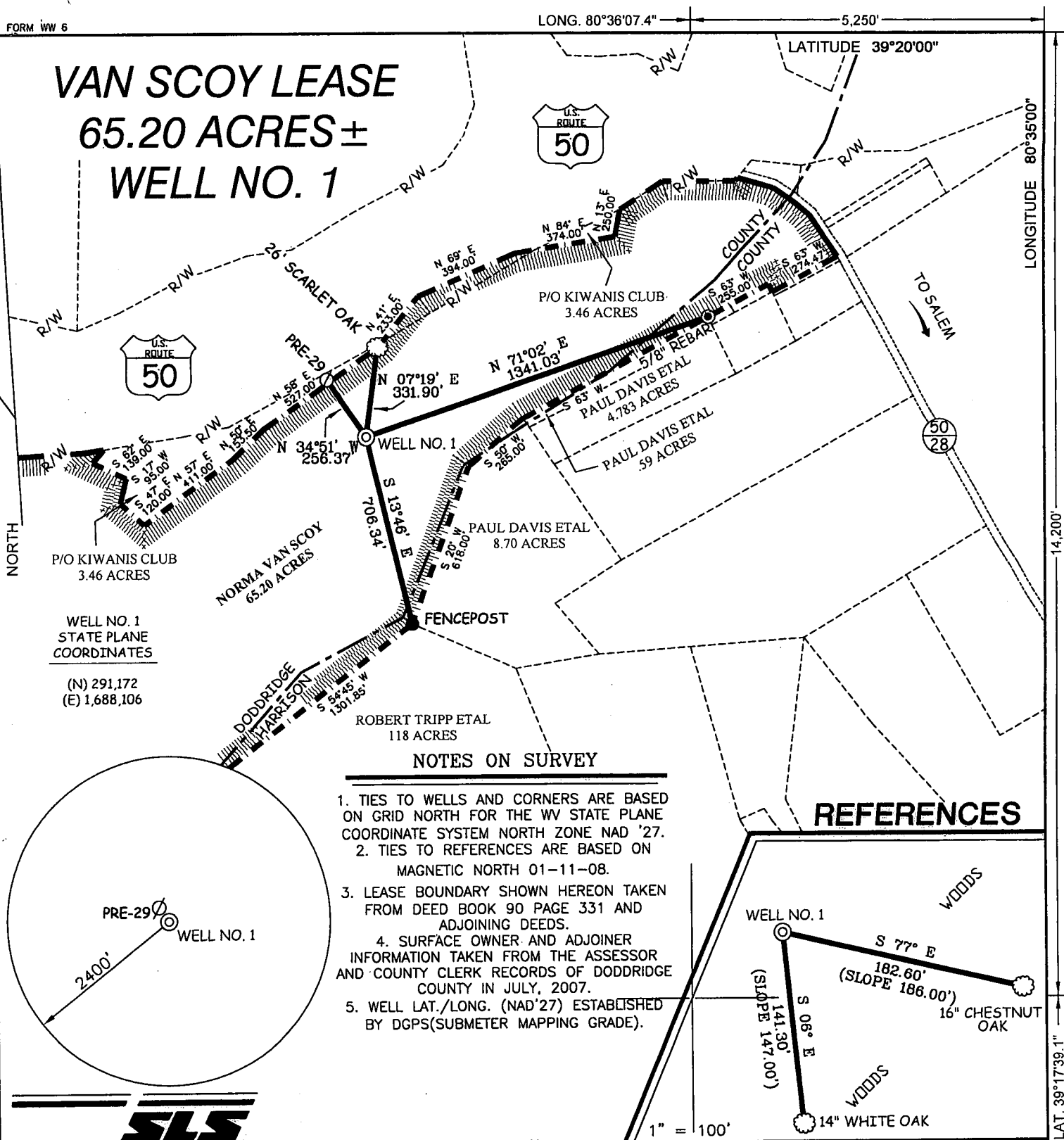
TOPO SECTION OF Salem 7.5'

FILE NO. 6744 DATE 1/21/08 SCALE 1"=1000'

VAN SCOY LEASE

65.20 ACRES±

WELL NO. 1



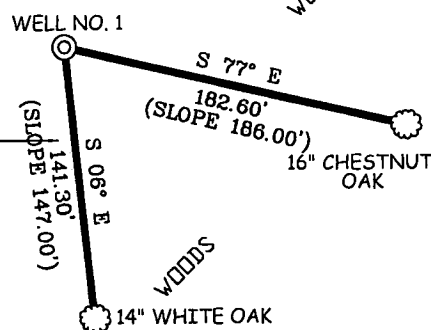
WELL NO. 1
STATE PLANE
COORDINATES

(N) 291,172
(E) 1,688,106

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-11-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 90 PAGE 331 AND ADJOINING DEEDS.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

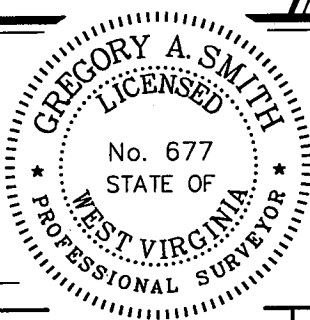
REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

Gregory A. Smith



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08

OPERATORS WELL NO. VAN SCOY #1

API WELL NO. 47 - 017 - 05604
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6744P1(252-41)
SCALE 1" = 500'

PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ___ GAS ☒ LIQUID INJECTION ___ WASTE DISPOSAL ___ IF "GAS" PRODUCTION ☒ STORAGE ___ DEEP ___ SHALLOW ☒

LOCATION:

ELEVATION 1,273' WATERSHED BUCKEYE RUN

DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NORMA VAN SCOY ACREAGE 65.20±

ROYALTY OWNER NORMA VAN SCOY ETAL LEASE ACREAGE 65.20±

PROPOSED WORK:

DRILL ☒ CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER ___

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 017 - 05604
Operator's Well No. Van Scoy No. 1

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Buckeye Run Quadrangle Salem 7.5'

Elevation 1273' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 23 day of Jan., 2008

Notary Public

My commission expires 1/18/2011

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY R. BARTON
Notary Public

Salem

Operator: HALL DRILLING, LLC
API: 1705604
WELL No: VAN SCOY 1
Reviewed by: HA Date: 2-20-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☒ WW-2B
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☒ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☒ Topographic Map of location of well
- ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☒ Bond
- ☒ Company is Registered with the SOS
- ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

17-056204

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling, LLC
Operator well number Van Scoy No.1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

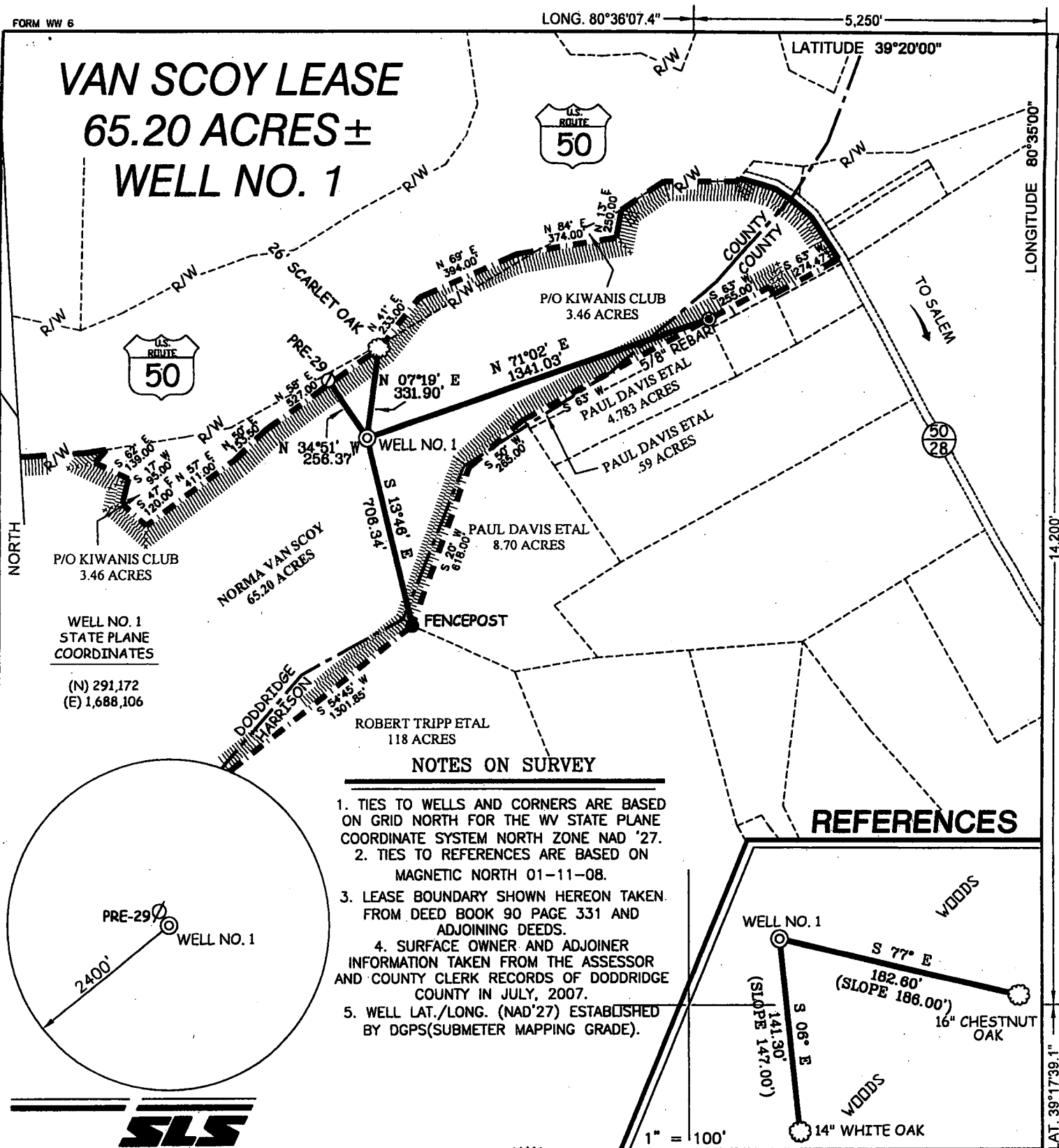
I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON
Naima G. Vantroy Date 2/6/08
Signature
FOR EXECUTION BY A CORPORATION, ETC.
Company Name _____
By _____
Its _____ Date _____
Signature _____ Date _____

VAN SCOY LEASE

65.20 ACRES±

WELL NO. 1

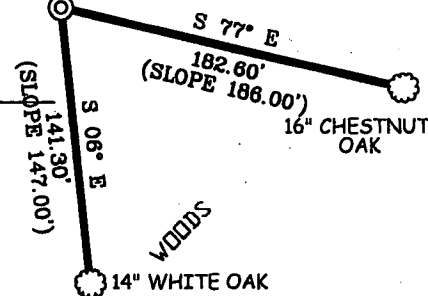


NOTES ON SURVEY

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2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 01-11-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 90 PAGE 331 AND ADJOINING DEEDS.
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5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

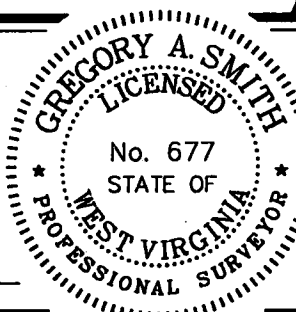
WELL NO. 1



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

Gregory A. Smith



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE JANUARY 21, 20 08OPERATORS WELL NO. VAN SCOY #1API
WELL NO. 47 - 017 - 05604
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6744P1(252-41)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒

LOCATION: ELEVATION 1,273' WATERSHED BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'

SURFACE OWNER NORMA VAN SCOY ACREAGE 65.20±
ROYALTY OWNER NORMA VAN SCOY ETAL LEASE ACREAGE 65.20±

PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Form: WW - 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC

	Harrison	Elk	Mount Clare
	33	5	7.5'
Operator ID	County	District	Quadrangle

2) Operators Well Number: Starkey No. 1

3) Elevation: 1360' ✓

4) Well Type: (a) Oil or Gas X

(b) If Gas: Production X / Underground Storage
Deep X / Shallow

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 8150' Feet

7) Approximate fresh water strata depths: 275'

8) Approximate salt water depths: None

9) Approximate coal seam depths: 229', 542', 557'

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			350'	350'	CTS
Fresh Water	9 5/8"		26 #	1360'	1360'	CTS
Coal						
Intermediate	7"		17 #	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		11.50	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

CE 012773
#1650

RECEIVED
OFFICE OF OIL & GAS
MAR 24 2008
WV DEPARTMENT OF
ENVIRONMENTAL PROTECTION

[illegible]

LONGITUDE 80°15'00"

3.230'-

AT. 39.213589

THOMAS W. STARKEY
ETUX
70 ACRES±

J. & K. ABRUZZINO
66 ACRES±

R. WHITE
30.75 ACRES±

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 03-03-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM A TITLE OPINION PREPARED BY STEPTOE & JOHNSON JANUARY 4, 2008.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).
6. THIS PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO ONONDAGA FORMATION.

REFERENCES

2378-P

643.

24" SCARLET OAK

GREGORY A. SMITH
LICENSED
No. 677
STATE OF
WEST VIRGINIA
PROFESSIONAL SURVEYOR

OPERATORS WELL NO. STARKEY #1

STATE COUNTY PERMIT

PROVEN SOURCE OF ELEVATION _____
 DGPS (SUBMETER MAPPING GRADE) _____

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



LOCATION: _____

ELEVATION 1,360' WATERSHED ZACHS RUN

DISTRICT	ELK	COUNTY	HARRISON	QUADRANGLE	MOUNT CLARE 7.5'
----------	-----	--------	----------	------------	------------------

DISTRICT LEER COUNTY HARRISON QUADRANGLE WEST-CENTRAL
 70:

SURFACE OWNER THOMAS W. STARKEY ETUX ACREAGE 70±

ROYALTY OWNER **THOMAS W. STARKEY ETUX** LEASE ACREAGE **70±**

[illegible]

PROPOSED WORK : _____ LEASE NO. _____

DRILL X CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE X PLUG OFF OLD _____

<u>DRIEL</u>	<u>CONVERT</u>	<u>DRIEL DELETED</u>	<u>WETDRIEL</u>	<u>WETSTONE DRIEL</u>	<u>OTHER</u>
<u>CORRECTION</u>	<u>DELEGATE NEW INFORMATION</u>	<u>PLUG AND ABANDON</u>	<u>CLEAN OUT AND REBUILD</u>	<u>OTHER</u>	

FORMATION_____ PERFORATE NEW FORMATION_____ PLUG AND ABANDON_____ CLEAN OUT AND REPLUG_____ OTHER_____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS

ESTIMATED DEPTH	8,100'
-----------------	--------

ESTIMATED SET 11

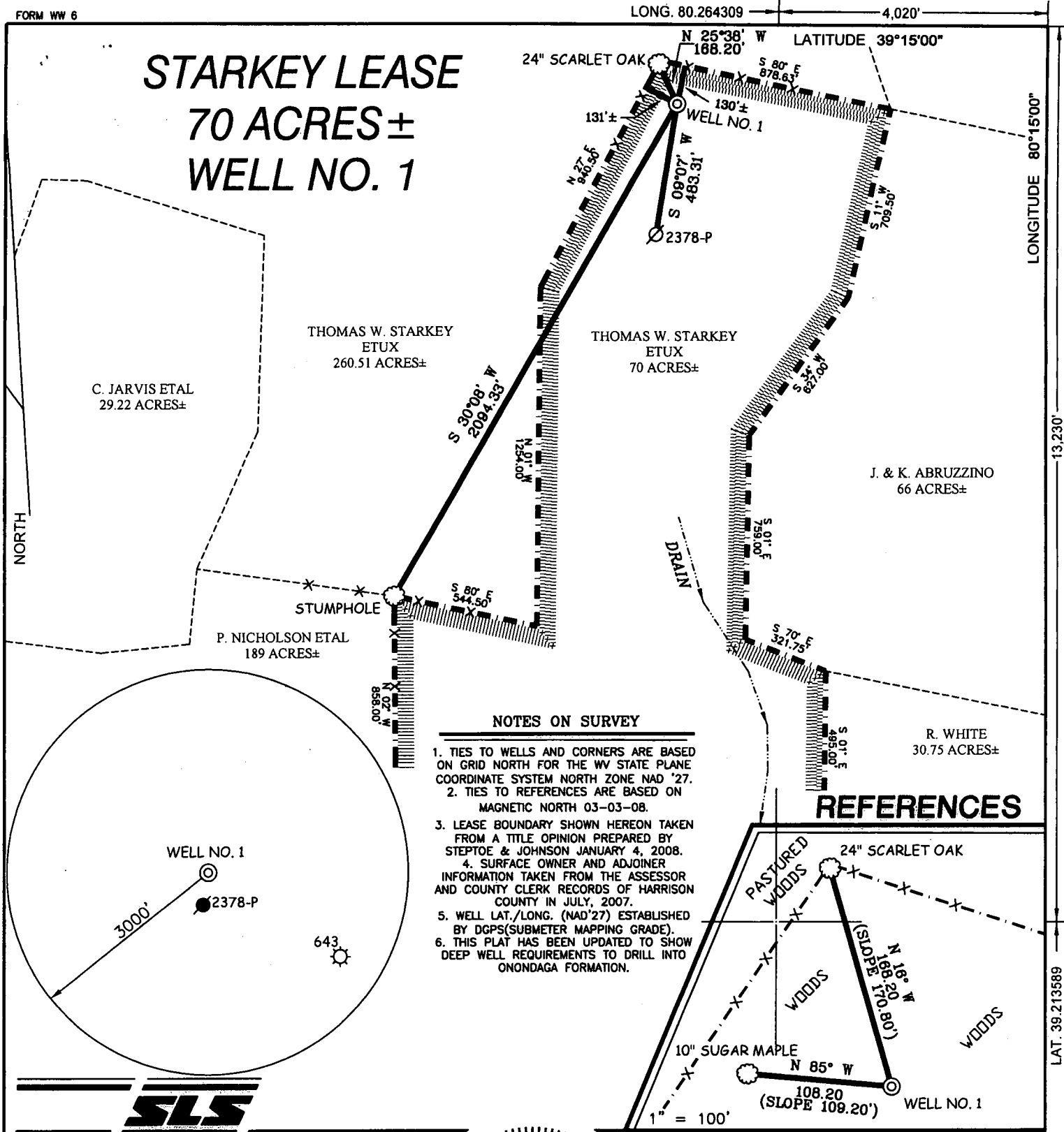
HALL DRILLING LLC
DESIGNATED AGENT MIKE HALL

WELL OPERATOR HALL DRILLING, LLC DESIGNATED AGENT MIKE HALL

ADDRESS P.O. BOX 249 ADDRESS P.O. BOX 249

ELLENBORO, WV 26346

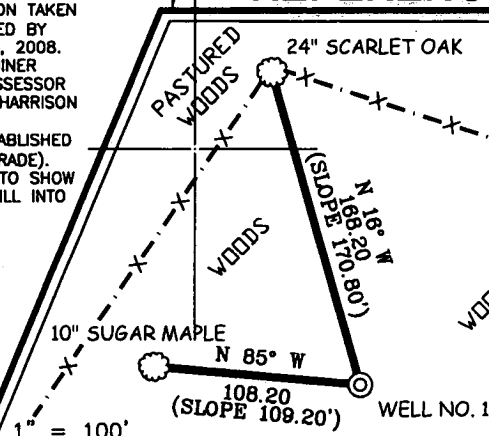
STARKEY LEASE 70 ACRES± WELL NO. 1



NOTES ON SURVEY

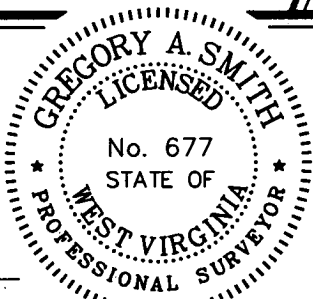
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REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE MARCH 3, 20 08
 UPDATED MAY 20, 20 08
 OPERATORS WELL NO. STARKEY #1
 API WELL NO. 47
 STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6786P1R(256-02)
 PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
 DIVISION OF ENVIRONMENTAL PROTECTION
 OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS X LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION X STORAGE DEEP X SHALLOW
 LOCATION: ELEVATION 1,360' WATERSHED ZACHS RUN
 DISTRICT ELK COUNTY HARRISON QUADRANGLE MOUNT CLARE 7.5'
 SURFACE OWNER THOMAS W. STARKEY ETUX ACREAGE 70±
 ROYALTY OWNER THOMAS W. STARKEY ETUX LEASE ACREAGE 70±
 PROPOSED WORK: LEASE NO.
 DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
 PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
 ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC
 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
 ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

March 28, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-3305066, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: STARKEY 1
Farm Name: STARKEY, THOMAS W.
API Well Number: 47-3305066
Permit Type: New Well
Date Issued: 03/28/2008

Promoting a healthy environment.

Form: WW - 2B

33-05066

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC

488

<u>33</u>	<u>Harrison</u>	<u>Elk</u>	<u>Mount Clare</u>
Operator ID	County	District	Quadrangle

2) Operators Well Number: Starkey No. 1

3) Elevation: 1360' ✓

4) Well Type: (a) Oil _____ or Gas X

(b) If Gas: Production X / Underground Storage _____
Deep _____ / Shallow X ✓

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 275'

8) Approximate salt water depths: None

9) Approximate coal seam depths: 229', 542', 557'

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"			350'	350'	CTS
Fresh Water	9 5/8"		26 #	1360'	1360'	CTS
Coal						
Intermediate	7"		17 #	2900'	2900'	By Rule 35 CSR 4-11.1
Production	4 1/2"		10.5 #	7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

CL 012773
#1650

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

WW2-A
Revised 8/02

1) Date: March 6, 2008
2) Operator's Well Number: Starkey No. 1
3) API Well No.: 47 - State 033 - County 05066 Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:
(a) Name Thomas W. Starkey, et ux
Address RR 2 Box 333
Mount Clare, WV 26408
(b) Name _____
Address _____
(c) Name _____
Address _____
6) Inspector Tim Bennett
Address _____
Telephone 304-553-1073

5) (a) Coal Operator
Name _____
Address _____
(b) Coal Owner(s) with Declaration
Name Thomas W. Starkey, et ux
Address RR 2 Box 333
Mount Clare, WV 26408
Name _____
Address _____
(c) Coal Lessee with Declaration
Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR
X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through _____ on the above named parties by:

Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

Subscribed and sworn before me this _____ day of March, 2008
Notary Public
My Commission Expires 4/18/2011

Form WW-2A-1
(8/02)

Operator's Well Number Starkey No. 1

33-050664

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Thomas W. Starkey, et ux	Bluestone Energy Partners	1/8 th	1412 / 751

RECEIVED
Office of Oil & Gas
MAR 24 2009
WV Department of
Environmental Protection

Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

FORM WW2-B1

Well No. 33-050666 Starkey No. 1

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	<u>Smith Land Surveying, Inc.</u>
	Well operator's private laboratory	<u>Environmental Division</u>
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Starkey No. 1

NOTE: There appears to be 2± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

33-05066



SMITH LAND SURVEYING, INC.

ENVIRONMENTAL DIVISION

P.O. BOX 160, GLENVILLE, WV 26351

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling, LLC

LEASE NAME AND NUMBER: Starkey Lease Well No. 1

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Thomas W. Starkey (2 Sites)

Address: RR 2 Box 333 Mount Clare, WV 26408

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

RECEIVED
Office of Oil & Gas
MAR 24 2003
WV Department of
Environmental Protection

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 033 - 05046
Operator's Well No. Starkey No. 1

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Zachs Run Quadrangle Mount Clare 7.5'

Elevation 1360' County Harrison District Elk

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes.

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 10 day of March, 2008

Notary Public
OFFICIAL SEAL
STATE OF WEST VIRGINIA
KATHY R. BARTON
Woodward Farm
P.O. Box 436
Martinsburg, WV 26155
My commission expires 4/18/2011

RECEIVED
OFFICE OF OIL & GAS
MAR 24 2008
DIV. Department of
Environmental Protection

33-05066

Form WW-9

Starkey Lease Well No. 1

page 5 of 7

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

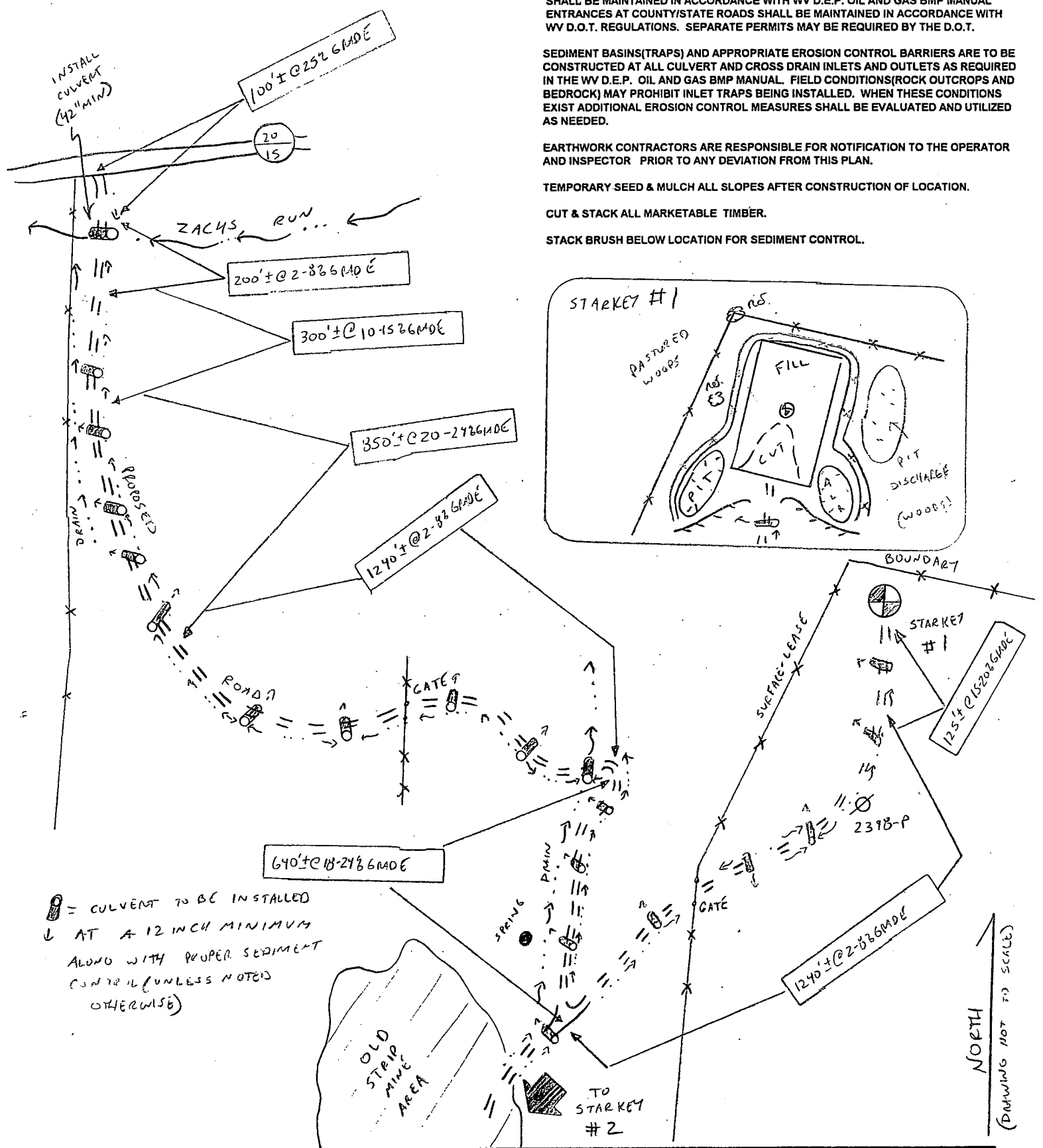
SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

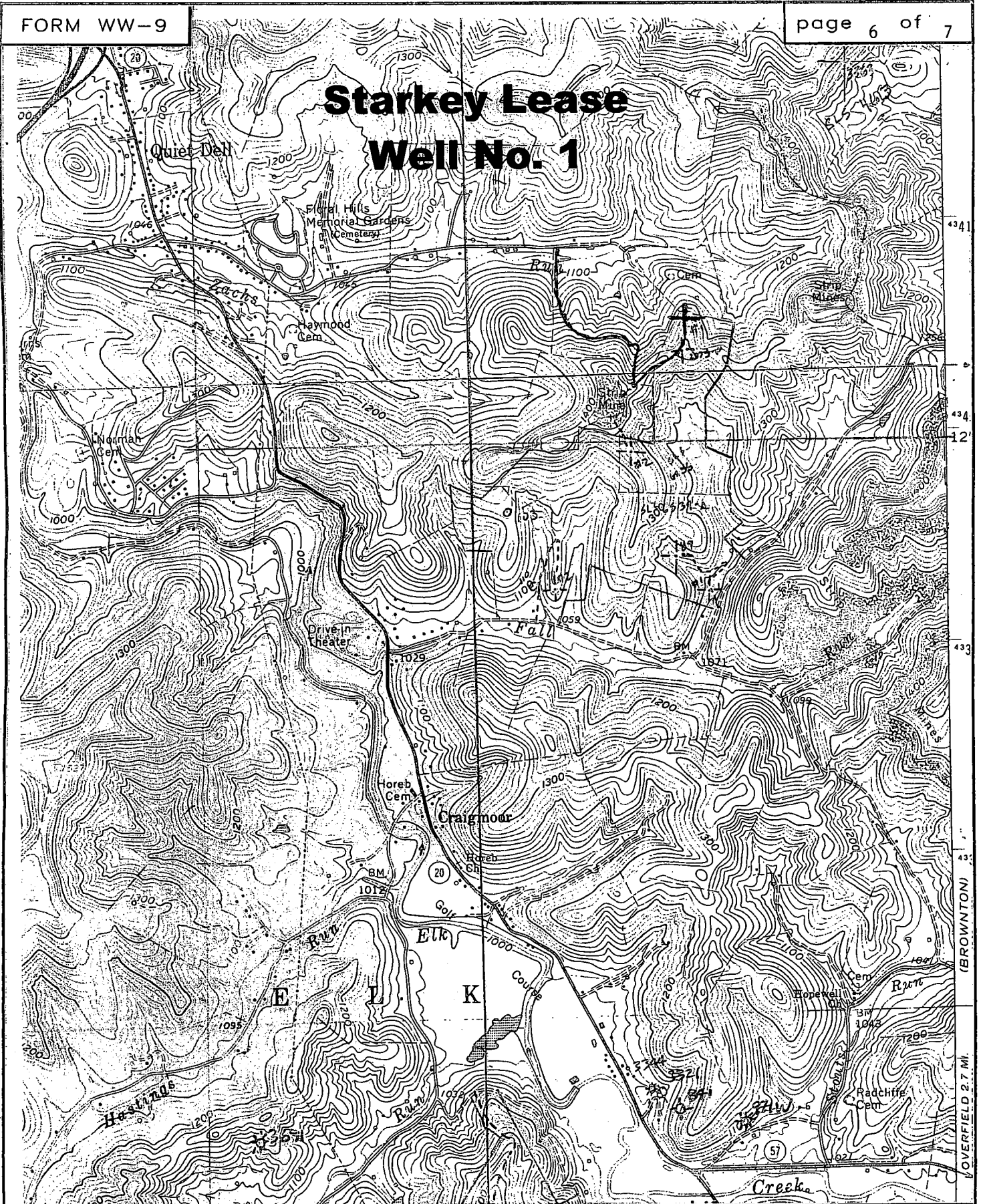


33-050660

FORM WW-9

page 6 of 7

Starkey Lease Well No. 1



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

TOPO SECTION OF MOUNT CLARE 7.5'

FILE NO. 6786 DATE 3/3/08 SCALE 1"=2000'

STARKEY LEASE

70 ACRES±

WELL NO. 1

24" SCARLET OAK
WELL NO. 1
N 25°38' W 168.20'
S 80° E 878.63'
S 09°07' W 483.31'
2378-P
N 27° E 840.50'
S 30°08' W 2094.33'
N 01° W 1234.00'
S 11° W 708.50'
S 01° E 321.75'
S 70° E 321.75'
S 01° E 490.00'
S 11° W 708.50'

LONGITUDE 80°15'00"

13,230'

LAT. 39.213589

C. JARVIS ETAL
29.22 ACRES±

THOMAS W. STARKEY
ETUX
260.51 ACRES±

THOMAS W. STARKEY
ETUX
70 ACRES±

J. & K. ABRUZZINO
66 ACRES±

R. WHITE
30.75 ACRES±

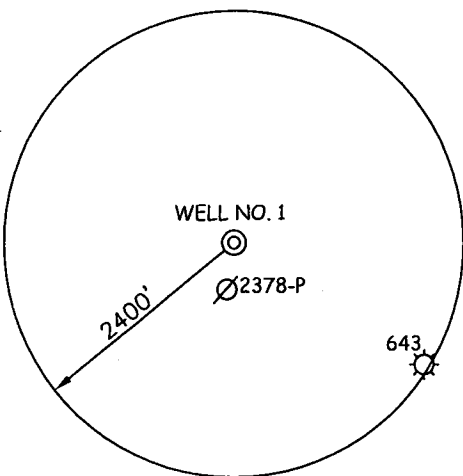
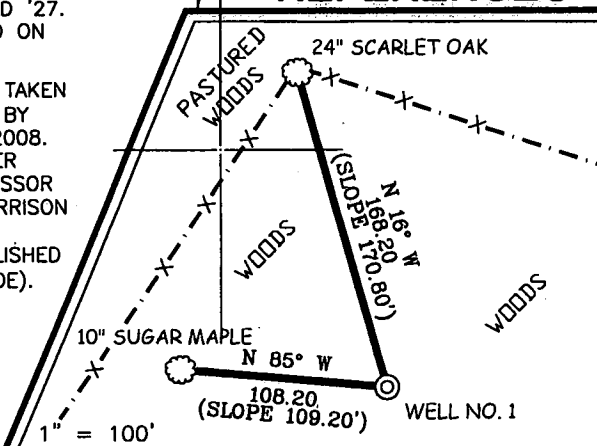
P. NICHOLSON ETAL
189 ACRES±

STUMPHOLE

NOTES ON SURVEY

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REFERENCES



WELL NO. 1

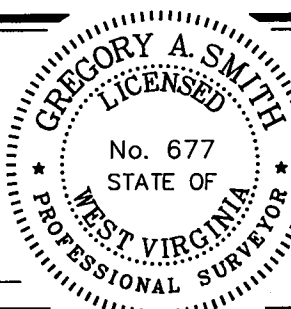
Ø2378-P

643

SLS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE MARCH 3, 20 08

OPERATORS WELL NO. STARKEY #1

API WELL NO. 47 - 033 - 05066
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/200 FILE NO. 6786P1(256-02)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒
LOCATION: ELEVATION 1,360' WATERSHED ZACHS RUN
DISTRICT ELK COUNTY HARRISON QUADRANGLE MOUNT CLARE 7.5'
SURFACE OWNER THOMAS W. STARKEY ETUX ACREAGE 70±
ROYALTY OWNER THOMAS W. STARKEY ETUX LEASE ACREAGE 70±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 7,800'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Mount Clare

Operator: HALL DRILLING, LLC

API: 3305066

WELL No: STARKEY 1.

Reviewed by: La Date: 3-27-08

Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☐ WW-2B *deep?*
- ☒ Inspector signature on WW-2B
- ☒ WW-2A (Notarized)
- ☐ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ Surface Owner Waiver
- ☐ Coal Owner / Lessee / Operator Waiver
- ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ Inspector Signature on WW-9
- ☒ Reclamation plan
- ☐ Topographic Map of location of well
- ☐ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☐ Bond
- ☐ Company is Registered with the SOS
- ☐ Worker's Compensation / Unemployment Insurance account is OK
- ☒ \$650.00 check (\$550.00 if no pit)

WW-2A Coal Waiver

33-05066

COAL OPERATOR, OWNER, OR LESSEE WAIVER

County Harrison

Operator Hall Drilling, LLC

Operator's Well
Number

Starkey No. 1

INSTRUCTIONS TO COAL OPERATOR, OWNER, OR LESSEE

To the coal operator, owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office.

WAIVER

The undersigned coal operator _____ / owner x / lessee _____ / of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

FOR EXECUTION BY A NATURAL PERSON

Thomas W. Starkey Date 3-18-08
Signature

Martha S. Starkey 3-18-08

FOR EXECUTION BY A CORPORATION, ETC.

Company
Name
By
Its

Date

Signature

Date

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

33-05066

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Harrison

Operator

Hall Drilling, LLC

Operator well number

Starkey No. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Thomas W. Starkey Date 3-18-08
Signature
Martha S. Starkey 3-18-08

Company Name _____
By _____
Its _____
Signature _____ Date _____

33-0506Q

BLUESTONE
ENERGY PARTNERS

Trust is our greatest resource™

March 21, 2008

WV DEP Office of Oil and Gas
Attn: Laura Atkins
601 57th Street
Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Starkey No. 1

Also enclosed is check no. 012773 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,



Annalisa Dobbins
Administrative Assistant

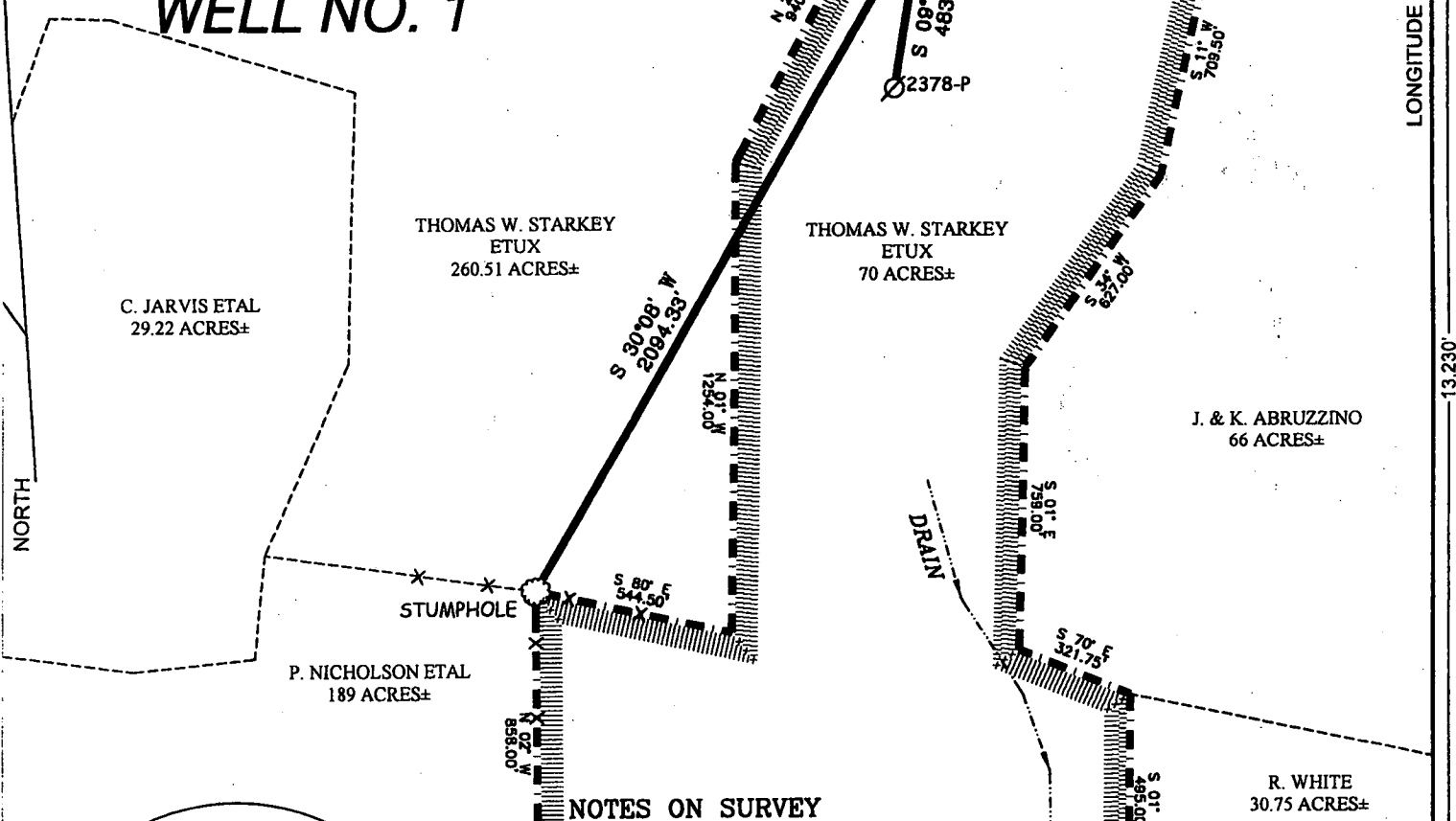
Enclosures: Well package for Starkey No. 1
Check No. 012773 - \$650.00

RECEIVED
Office of Oil & Gas
MAR 24 2008
WV Department of
Environmental Protection

STARKEY LEASE

70 ACRES±

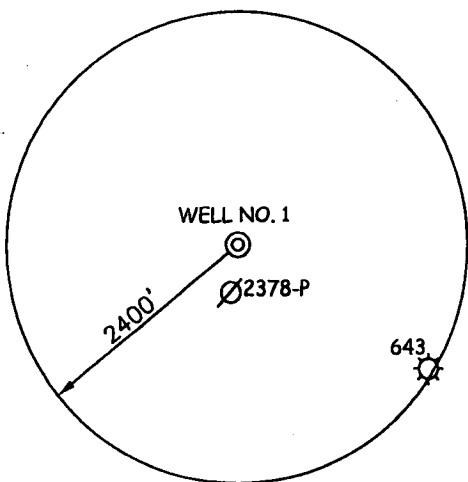
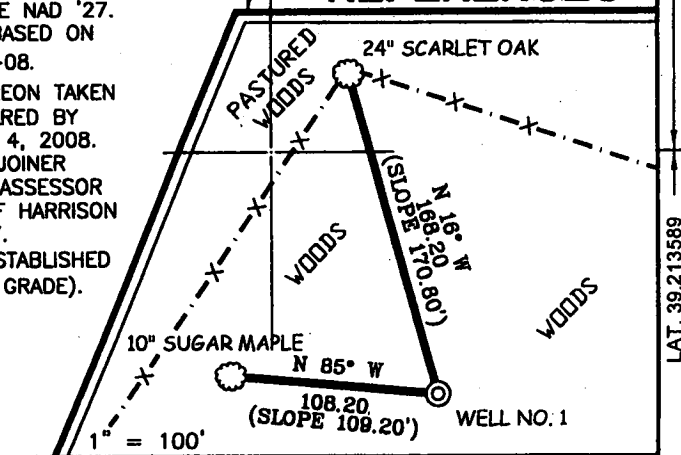
WELL NO. 1



NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 03-03-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM A TITLE OPINION PREPARED BY STEPTOE & JOHNSON JANUARY 4, 2008.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

**SLS**

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE MARCH 3, 20 08OPERATORS WELL NO. STARKEY #1

API

WELL NO.

47
STATE033
COUNTY05066
PERMITMINIMUM DEGREE OF ACCURACY 1 / 200FILE NO. 6786P1(256-02)

PROVEN SOURCE OF ELEVATION

SCALE 1" = 500'DGPS (SUBMETER MAPPING GRADE)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☐ SHALLOW ☒

LOCATION:

ELEVATION 1,360' WATERSHED ZACHS RUNDISTRICT ELK COUNTY HARRISON QUADRANGLE MOUNT CLARE 7.5'SURFACE OWNER THOMAS W. STARKEY ETUXACREAGE 70±ROYALTY OWNER THOMAS W. STARKEY ETUXLEASE ACREAGE 70±

PROPOSED WORK:

LEASE NO. _____

DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLDFORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐

PHYSICAL CHANGE IN WELL (SPECIFY) _____

TARGET FORMATION MARCELLUSESTIMATED DEPTH 7,800'WELL OPERATOR HALL DRILLING, LLCDESIGNATED AGENT MIKE HALLADDRESS P.O. BOX 249ADDRESS P.O. BOX 249ELLENBORO, WV 26346ELLENBORO, WV 26346

COUNTY NAME

PERMIT

Form: WW - 2B

17-05680

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596
Operator ID County District Quadrangle

2) Operators Well Number: J.L. Cottrill No. 1 3) Elevation: 1235'

4) Well Type: (a) Oil _____ or Gas X
(b) If Gas: Production X / Underground Storage _____
Deep X / Shallow _____

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 8100' Feet

7) Approximate fresh water strata depths: 75'

8) Approximate salt water depths: None

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor						
Fresh Water	<u>9 5/8"</u>		<u>22#</u>	<u>250'</u>	<u>250'</u>	<u>CTS</u> <i>He</i>
Coal						
Intermediate	<u>7"</u>		<u>16#</u>	<u>2900'</u>	<u>2900'</u>	<u>CTS</u>
Production	<u>4 1/2"</u>		<u>10.5#</u>	<u>8100'</u>	<u>8100'</u>	<u>By Rule 35 CSR 4-11.1</u>
Tubing						
Liners						

Packers: Kind
Sizes
Depths Set

RECEIVED
Office of Oil & Gas

JUN 02 2008

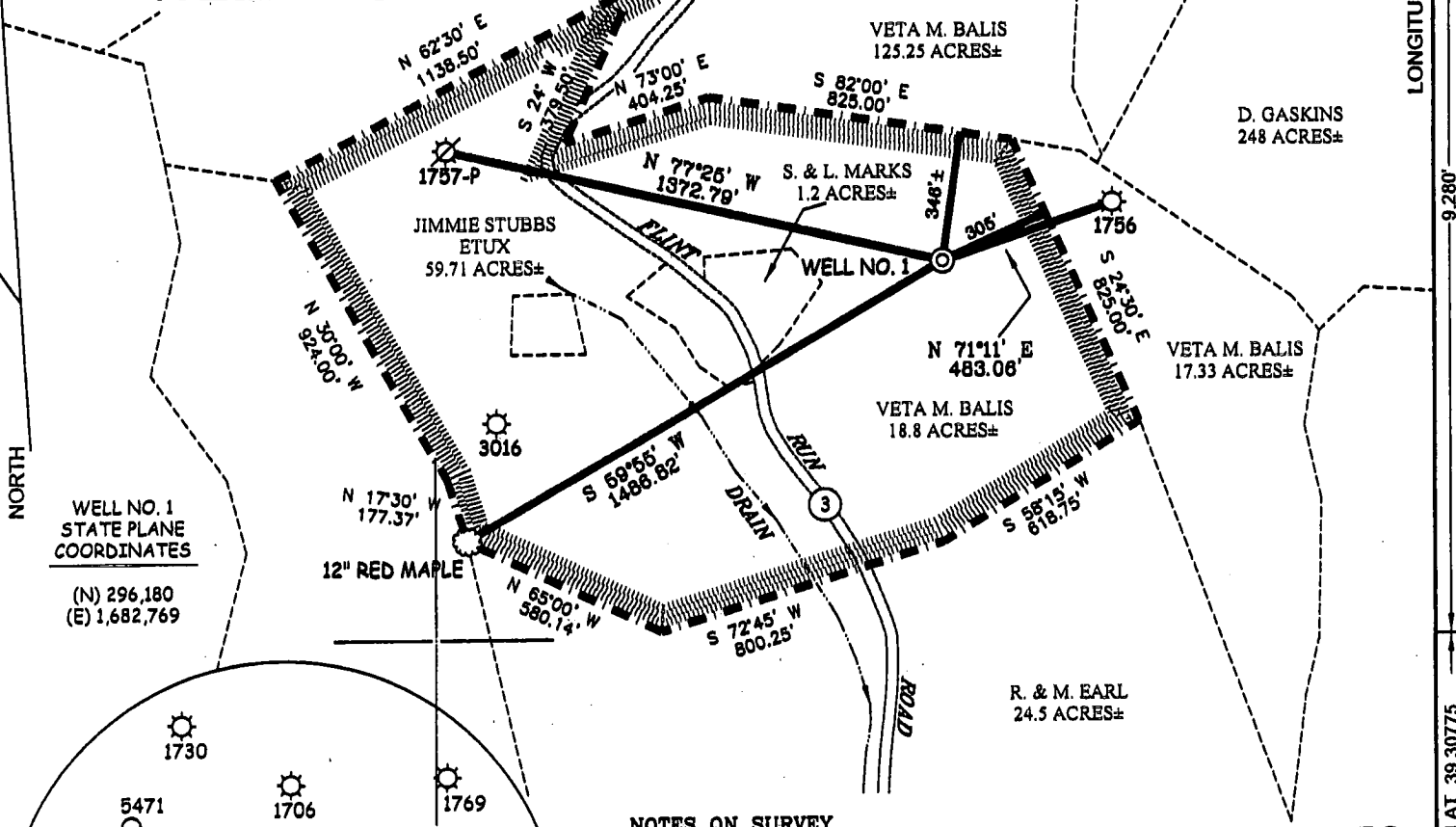
WV Department of
Environmental Protection

OK 013136
4750
(2007)

J. L. COTTRILL LEASE

56.25 ACRES±

WELL NO. 1



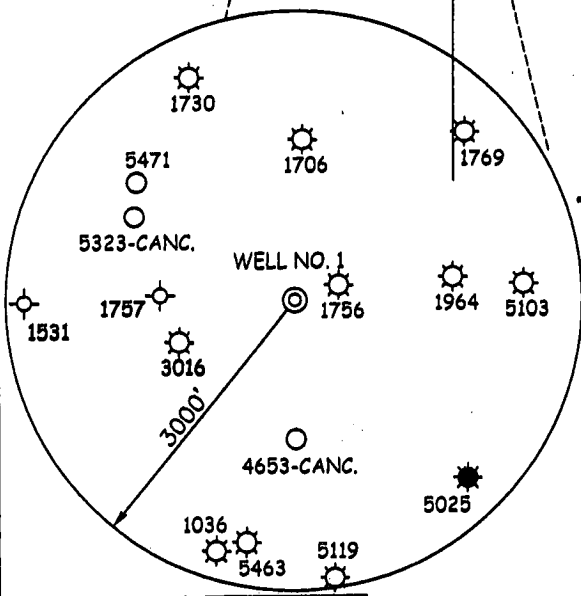
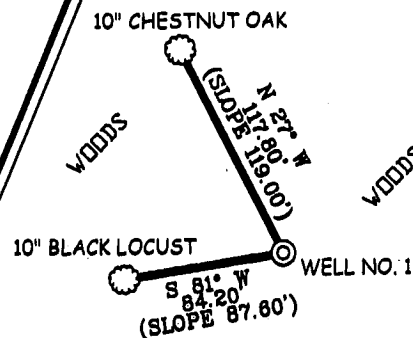
WELL NO. 1
STATE PLANE
COORDINATES

(N) 296,180
(E) 1,682,769

NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-01-08.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 110 PAGE 11.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS (SUBMETER MAPPING GRADE).
6. PLAT HAS BEEN UPDATED TO SHOW DEEP WELL REQUIREMENTS TO DRILL INTO THE ONONDAGA FORMATION.

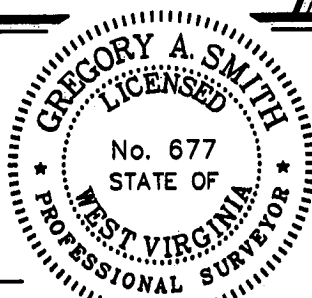
REFERENCES



SLS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(*) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 7 , 20 08
UPDATED MAY 16 , 20 08

OPERATORS WELL NO. J. L. COTTRILL #1

API
WELL NO. 47 - 17 - 05680
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6776P1R(256-28)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☒ SHALLOW ☐

LOCATION: ELEVATION 1,235' WATERSHED TRIBUTARY TO BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER VETA M. BALIS ACREAGE 18.8±
ROYALTY OWNER VETA M. BALIS ETAL LEASE ACREAGE 56.25±
PROPOSED WORK: LEASE NO. _____
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

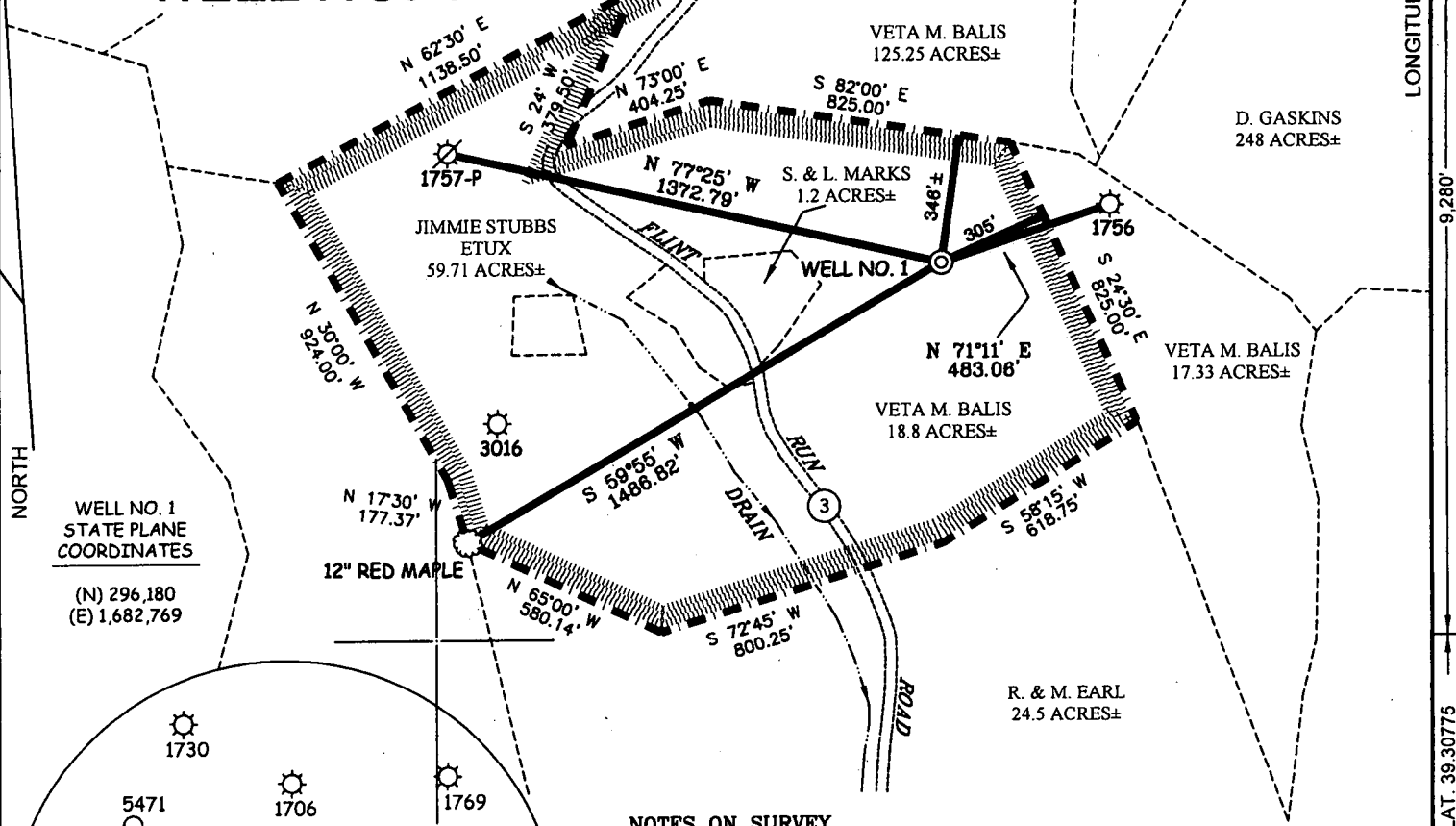
COUNTY NAME

PERMIT

J. L. COTTRILL LEASE

56.25 ACRES±

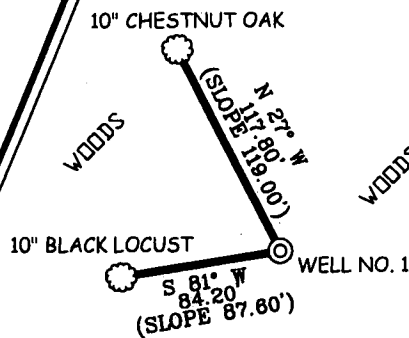
WELL NO. 1



NOTES ON SURVEY

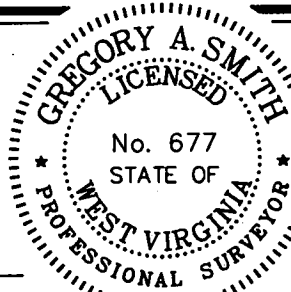
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REFERENCES



I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 7, 20 08

UPDATED MAY 16, 20 08

OPERATORS WELL NO. J. L. COTTRILL #1

API WELL NO. 47 - 17 - 05680
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6776P1R(256-28)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☒ STORAGE ☐ DEEP ☒ SHALLOW ☐
LOCATION: ELEVATION 1,235' WATERSHED TRIBUTARY TO BUCKEYE RUN
DISTRICT GRANT COUNTY DODDRIDGE QUADRANGLE SALEM 7.5'
SURFACE OWNER VETA M. BALIS ACREAGE 18.8±
ROYALTY OWNER VETA M. BALIS ETAL LEASE ACREAGE 56.25±
PROPOSED WORK: LEASE NO.
DRILL ☒ CONVERT ☐ DRILL DEEPER ☐ REDRILL ☐ FRACTURE OR STIMULATE ☒ PLUG OFF OLD
FORMATION ☐ PERFORATE NEW FORMATION ☐ PLUG AND ABANDON ☐ CLEAN OUT AND REPLUG ☐ OTHER ☐
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION MARCELLUS
ESTIMATED DEPTH 8,100'

WELL OPERATOR HALL DRILLING, LLC
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

COUNTY NAME

PERMIT



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

May 28, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705680, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: J.L. COTTRILL 1
Farm Name: BALIS, VETA M.

API Well Number: 47-1705680

Permit Type: New Well

Date Issued: 05/28/2008

Promoting a healthy environment.

W

Form: WW - 2B

17-05680

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator Hall Drilling, LLC 17 3 596

Operator ID

Doddridge

Grant

Salem 7.5'

County

District

Quadrangle

2) Operators Well Number: J.L. Cottrill No. 1 3) Elevation: 1235'

4) Well Type: (a) Oil or Gas X
(b) If Gas: Production X / Underground Storage
Deep / Shallow X

5) Proposed Target Formation(s): Marcellus

6) Proposed Total Depth: 7800 Feet

7) Approximate fresh water strata depths: 75'

8) Approximate salt water depths: None

9) Approximate coal seam depths: None

10) Does land contain coal seams tributary to active mine? No

11) Describe proposed well work To Drill and Stimulate a New Well

12) **CASING AND TUBING PROGRAM**

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor						
Fresh Water	9 5/8		22#	250'	250'	CTS <i>RIC</i>
Coal						
Intermediate	7"		16#	2900'	2900'	CTS
Production	4 1/2"		10.5#	7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers: Kind
 Sizes
 Depths Set

RIC 5/07/08

RECEIVED
Office of Oil & Gas
MAY 14 2008
WV Department of
Environmental Protection

*OK # 13048
650.5*

WW2-A
Revised 8/02

1) Date: April 8, 2008
2) Operator's Well Number: J.L. Cottrill No. 1
3) API Well No.: 47 - 017 - 05680
State County Permit

**STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface Owner(s) to be served:

(a) Name Veta M. Balis
Address HC 78 Box 20
Selbyville, WV 26236

(b) Name _____
Address _____

(c) Name _____
Address _____

6) Inspector Richard S. Campbell
Address 601 57th Street, SE
Charleston, WV 25304
Telephone 304-926-0499

5) (a) Coal Operator

Name _____
Address _____

(b) Coal Owner(s) with Declaration

Name N/A
Address _____

Name _____
Address _____

(c) Coal Lessee with Declaration

Name _____
Address _____

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR
X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ___ on the above named parties by:

Personal Service (Affidavit attached)
X Certified Mail (Postmarked postal receipt attached)
Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator Hall Drilling, LLC
By: Mike Hall
Its: Designated Agent
Address P.O. Box 249
Ellenboro, WV 26346
Telephone 304-869-3405

RECEIVED
Office of Oil & Gas

MAY 14 2008

Subscribed and sworn before me this

My Commission Expires 4/18/2011

Notary Public
WV Department of
Environmental Protection

Form WW-2A-1
(8/02)

Operator's Well Number J.L. Cottrill No. 1

17-05680

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE
Chapter 22, Article 6, Section 8(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book/Page
Veta M. Balis, et al <i>Ten Mile Oil & Gas</i>	<i>Ten Mile Oil & Gas</i> <i>Bluestone Energy Partners</i>	1/8th	AB 330/464

Well Operator:
By:
Its:

Hall Drilling, LLC
Mike Hall
Designated Agent

RECEIVED
Office of Oil & Gas
MAY 14 2008
WV Department of
Environmental Protection

FORM WW2-B1

Well No. J.L. Cottrill No. 1
17-05680

West Virginia Department of Environmental Protection
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	<u>Smith Land Surveying, Inc. – Environmental Division</u>
	Well operator's private laboratory	
	Well Operator	<u>Hall Drilling, LLC</u>
	Address	<u>P.O. Box 249</u>
		<u>Ellenboro, WV 26346</u>
	Telephone	<u>304-869-3405</u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

J.L. Cottrill No. 1

NOTE: There appears to be 3± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

RECEIVED
Office of Oil & Gas
MAY 14 2008
WV Department of
Environmental Protection



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

17-0 5680

ENVIRONMENTAL DIVISION

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR: Hall Drilling LLC.

LEASE NAME AND NUMBER: J.L. Cottrill #1

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Syonia & Leo Marks

Address: Rt. 2 Box 75 Salem WV. 26426

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: Jimmie Stubbs

Address: Rt. 2 Box 73 Salem, WV. 26426

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: Veta Balis

Address: HC 78 Box 20 Selbyville WV 26236

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

Owner/Occupant: _____

Address: _____

Letter/Notice Date: _____

Comments: _____

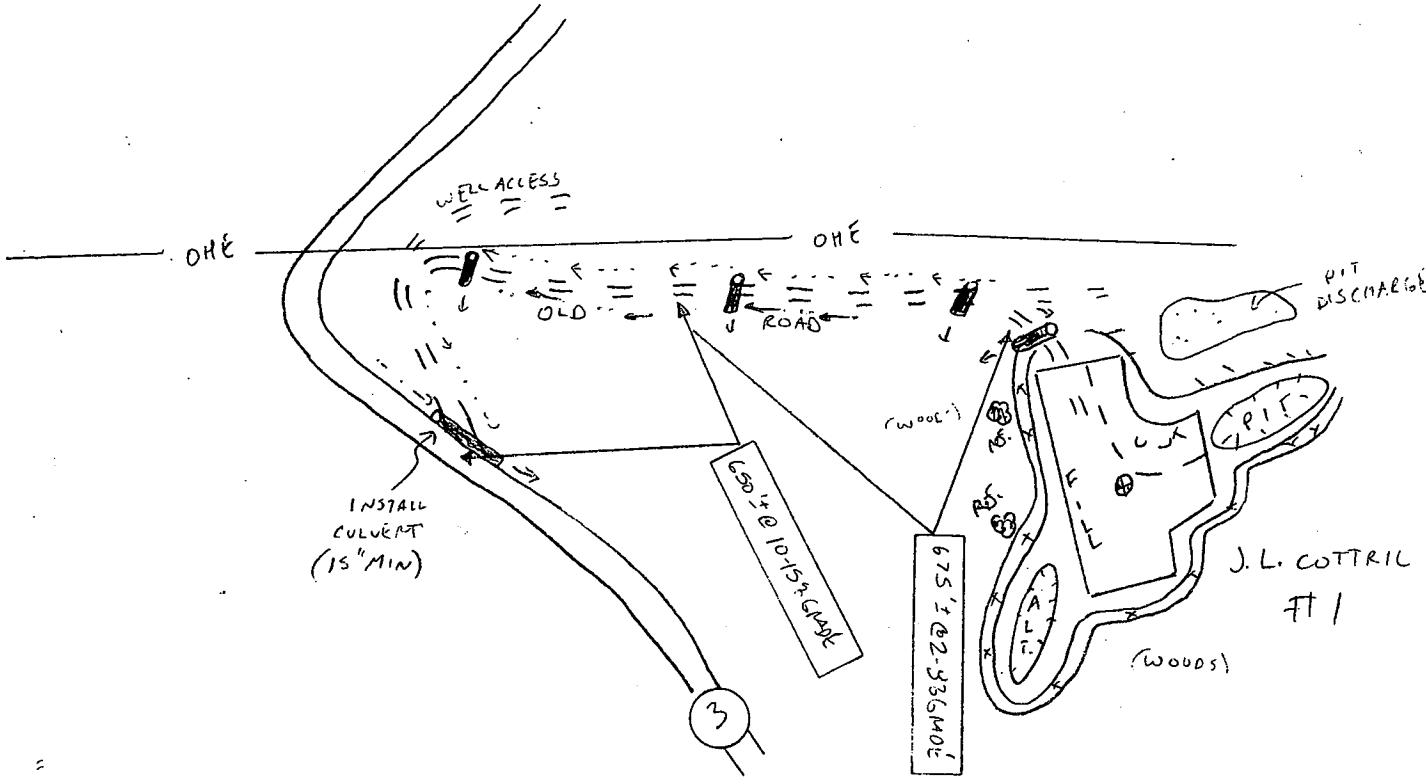
RECEIVED
Office of Oil & Gas

MAY 14 2008

WV Department of
Environmental Protection

J. L. Cottrill Lease
Well No. 1

DRAWING
NOT
TO
SCALE



HC 5/7/08

✓ = CULVERT TO BE
INSTALLED AT A 12" MIN.
(UNLESS NOTED OTHERWISE)

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T.

SEDIMENT BASINS (TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS (ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

RECEIVED
Office of Oil & Gas

MAY 14 2008

WV Department of
Environmental Protection

SLS SMITH LAND SURVEYING, INC.
P.O. BOX 150, GLENVILLE, WV 26351

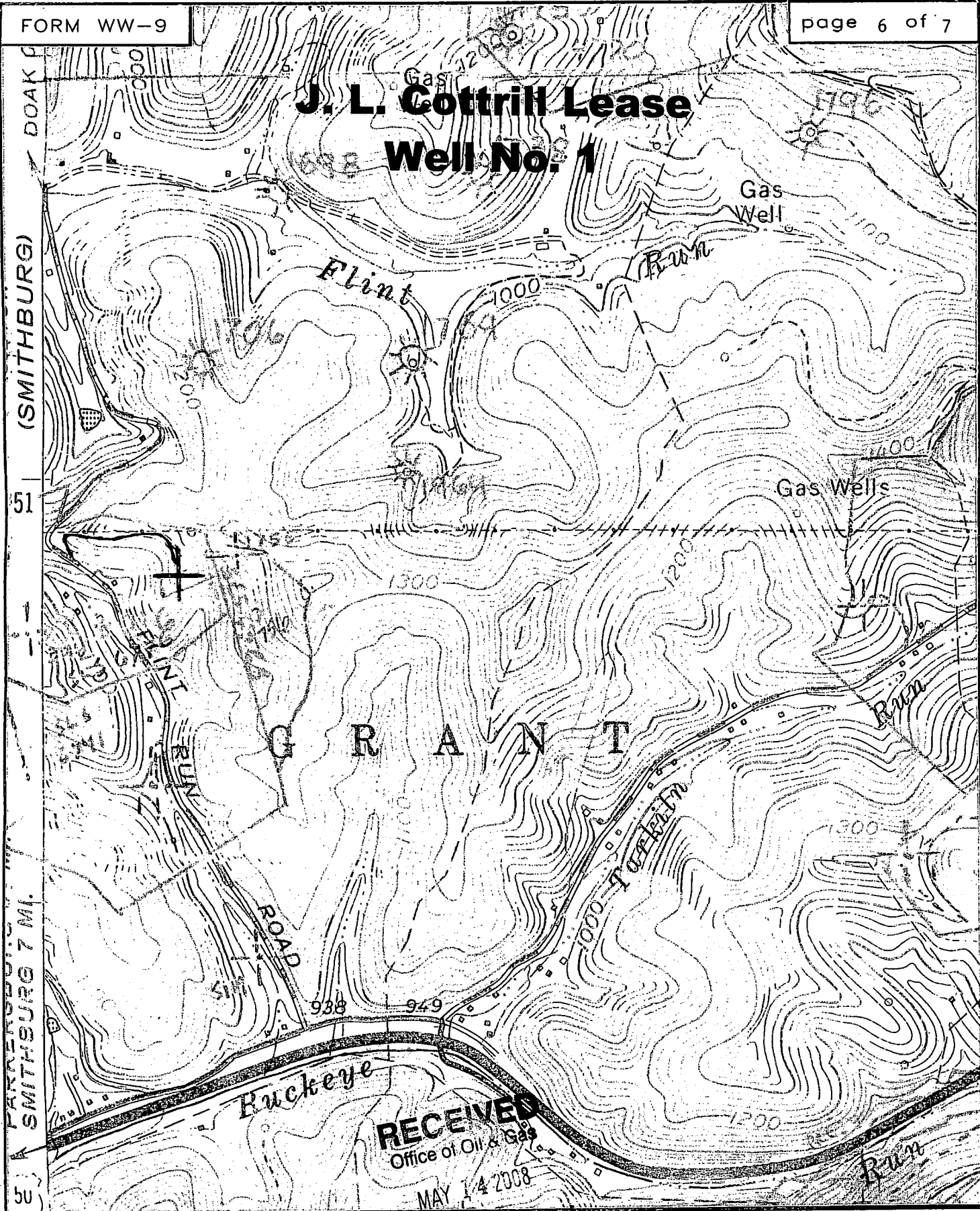
Phone (304) 462-5656 or 462-5634
DRAWN BY C.P.M. DATE 4/7/08 FILE NO. 6776

17-05680

FORM WW-9

page 6 of 7

J. L. Cottrill Lease Well No. 1



SMITH LAND SURVEYING
P.O. BOX 150 GLENVILLE, WV. 26351

WV Department of
Environmental Protection

SALEM 7.5'

FILE NO. 6776 DATE 4/7/08 SCALE 1"=1000'

LONGITUDE 80°35'00"



SLS

The seal of the State of West Virginia is a circular emblem. It features a central shield depicting a landscape with a river, a bridge, and two figures. The words "STATE OF WEST VIRGINIA" are inscribed around the top inner edge of the circle, and "MOUNTAIN SCENERY" is at the bottom.

COUNTY NAME	PERMIT

DESIGNATED AGENT MIKE HALL
ADDRESS P.O. BOX 249
ELLENBORO, WV 26346

FORM WW-9
Rev. 02/03

Page 4 of 7
API Number 47 - 17 - 05680
Operator's Well No. J.L. Cottrill No. 1

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Hall Drilling, LLC OP Code _____

Watershed Tributary to Buckeye Run Quadrangle Salem 7.5'

Elevation 1235' County Doddridge District Grant

Description of anticipated Pit Waste: Drill Water, Frac Blow Back & Various Formation Cuttings

Will a synthetic liner be used in the pit? Yes

Proposed Disposal Method For Treated Pit Wastes:

- ☒ Land Application
☐ Underground Injection (UIC Permit Number _____)
☐ Reuse (at API Number _____)
☐ Off Site Disposal (Supply form WW-9 for disposal location)
☐ Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- ☒ Drilling ☒ Swabbing
☐ Workover ☐ Plugging
☐ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on December 31, 1999, by the Office of Oil and Gas of the West Virginia Division of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature _____

Company Official (Typed Name) Mike Hall

Company Official Title Designated Agent

Subscribed and sworn before me this 18 day of April, 2008



OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GREGORY A. BARTON
Meadowood Farms
P. O. Box 336
Ellenboro, West Virginia, 26348
My Commission Expires April 18, 2011

Notary Public

RECEIVED
Office of Oil & Gas

MAY 14 2008

My commission expires 4/18/2011

WV Department of
Environmental Protection

Salem

Operator: HALL DRILLING, LLC
API: 1705680
WELL No: J.L. COTTRILL 1
Reviewed by: Ja Date: 5-23-08
Due Date: W

CHECKLIST FOR FILING A PERMIT

New Well

- ☐ ☒ WW-2B
- ☒ ☐ Inspector signature on WW-2B
- ☐ ☒ WW-2A (Notarized)
- ☐ ☐ Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- ☒ ☐ Surface Owner Waiver
- ☐ ☐ Coal Owner / Lessee / Operator Waiver
- ☐ ☒ WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
- ☐ ☒ WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
- ☐ ☒ WW-9 (Page 1 & 2) (Notarized)
- ☒ ☐ Inspector Signature on WW-9
- ☐ ☒ Reclamation plan
- ☐ ☒ Topographic Map of location of well
- ☐ ☒ Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
- ☐ ☒ Bond
- ☐ ☒ Company is Registered with the SOS
- ☐ ☒ Worker's Compensation / Unemployment Insurance account is OK
- ☒ ☐ \$650.00 check (\$550.00 if no pit)

17-05680

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Doddridge Operator Hall Drilling, LLC
Operator well number J.L. Cottrill No. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Neta M. (Batis) Lewis Date 5/9/08
Signature

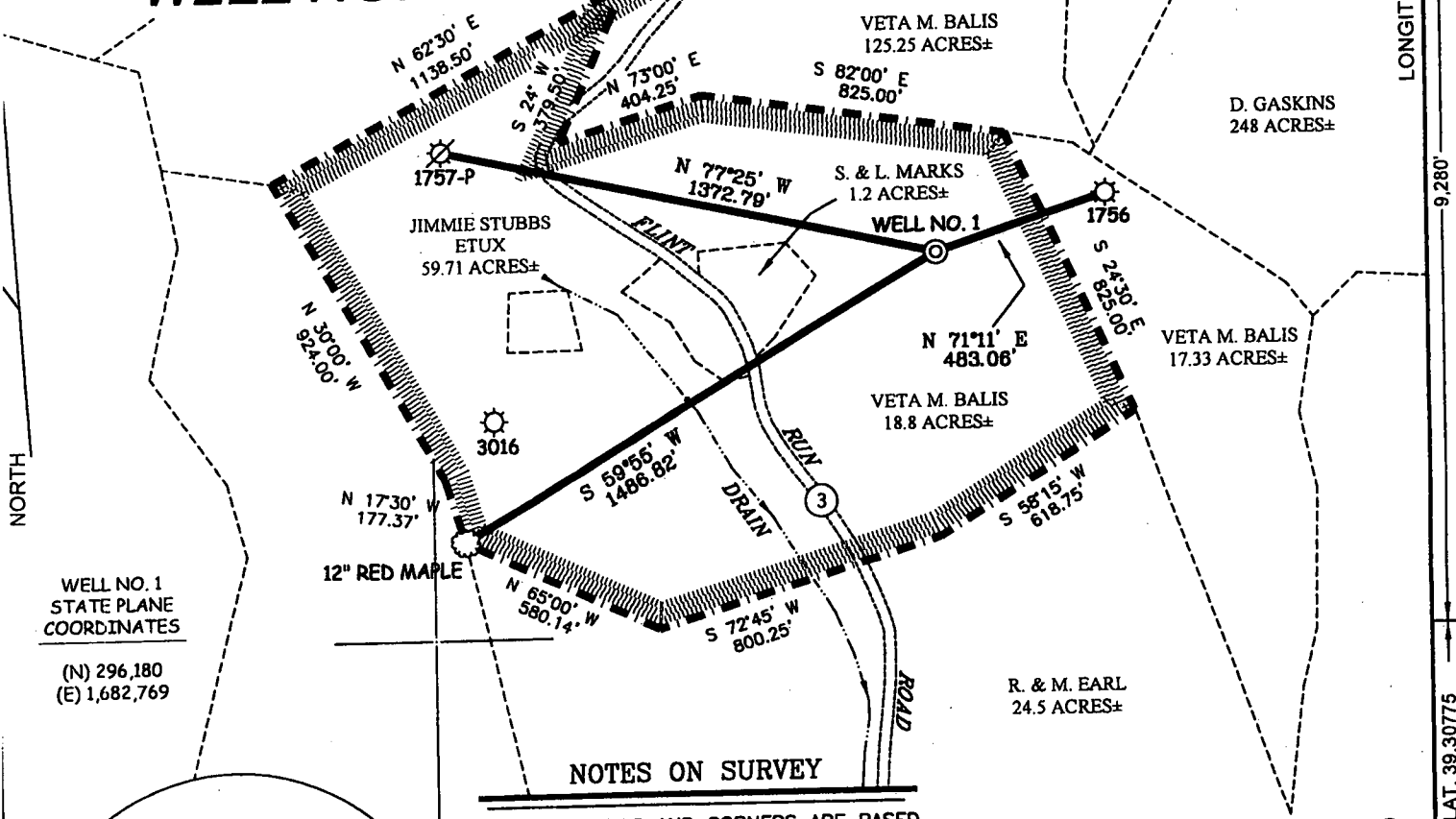
Company Name _____
By _____
Its _____
Signature _____ Date MAY 14 2008
Date _____

RECEIVED
Office of Oil & Gas
WV Department of
Environmental Protection

J. L. COTTRILL LEASE

56.25 ACRES±

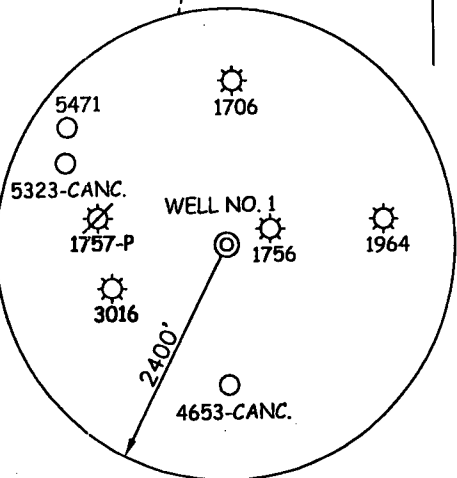
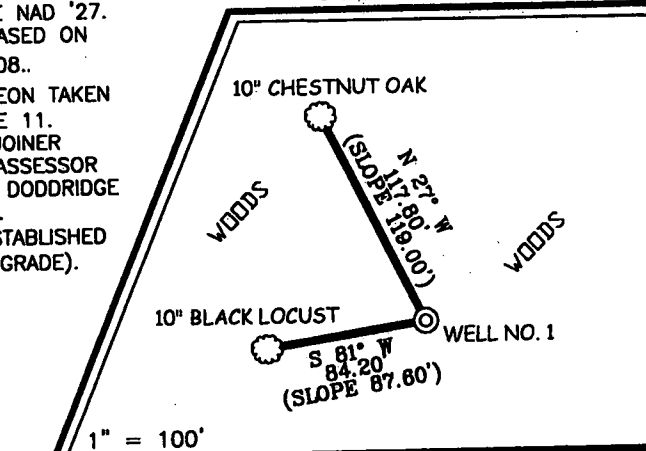
WELL NO. 1



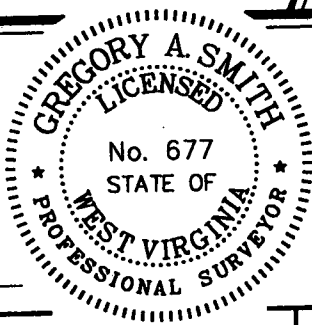
NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON GRID NORTH FOR THE WV STATE PLANE COORDINATE SYSTEM NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 04-01-08..
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM DEED BOOK 110 PAGE 11.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF DODDRIDGE COUNTY IN JULY, 2007.
5. WELL LAT./LONG. (NAD'27) ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

REFERENCES

**SLS**

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S.
677

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 7, 20 08OPERATORS WELL NO. J. L. COTTRILL #1API
WELL NO. 47 - 017 - D5680
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 6776P1(256-28)
PROVEN SOURCE OF ELEVATION DGPS (SUBMETER MAPPING GRADE) SCALE 1" = 500'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> LIQUID INJECTION <input type="checkbox"/> WASTE DISPOSAL <input type="checkbox"/> IF "GAS" PRODUCTION <input checked="" type="checkbox"/> STORAGE <input type="checkbox"/> DEEP <input type="checkbox"/> SHALLOW <input checked="" type="checkbox"/>
LOCATION: ELEVATION <u>1,235'</u> WATERSHED <u>TRIBUTARY TO BUCKEYE RUN</u>
DISTRICT <u>GRANT</u> COUNTY <u>DODDRIDGE</u> QUADRANGLE <u>SALEM 7.5'</u>
SURFACE OWNER <u>VETA M. BALIS</u> ACREAGE <u>18.8±</u>
ROYALTY OWNER <u>VETA M. BALIS ETAL</u> LEASE ACREAGE <u>56.25±</u>
PROPOSED WORK: LEASE NO. <u> </u>
DRILL <input checked="" type="checkbox"/> CONVERT <input type="checkbox"/> DRILL DEEPER <input type="checkbox"/> REDRILL <input type="checkbox"/> FRACTURE OR STIMULATE <input checked="" type="checkbox"/> PLUG OFF OLD FORMATION <input type="checkbox"/> PERFORATE NEW FORMATION <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CLEAN OUT AND REPLUG <input type="checkbox"/> OTHER <input type="checkbox"/>
PHYSICAL CHANGE IN WELL (SPECIFY) <u> </u> TARGET FORMATION <u>MARCELLUS</u>
<u> </u> ESTIMATED DEPTH <u>7,800'</u>
WELL OPERATOR <u>HALL DRILLING, LLC</u> DESIGNATED AGENT <u>MIKE HALL</u>
ADDRESS <u>P.O. BOX 249</u> ADDRESS <u>P.O. BOX 249</u>
<u>ELLENBORO, WV 26346</u> <u>ELLENBORO, WV 26346</u>

COUNTY NAME

PERMIT